CITY OF WHITEHORSE

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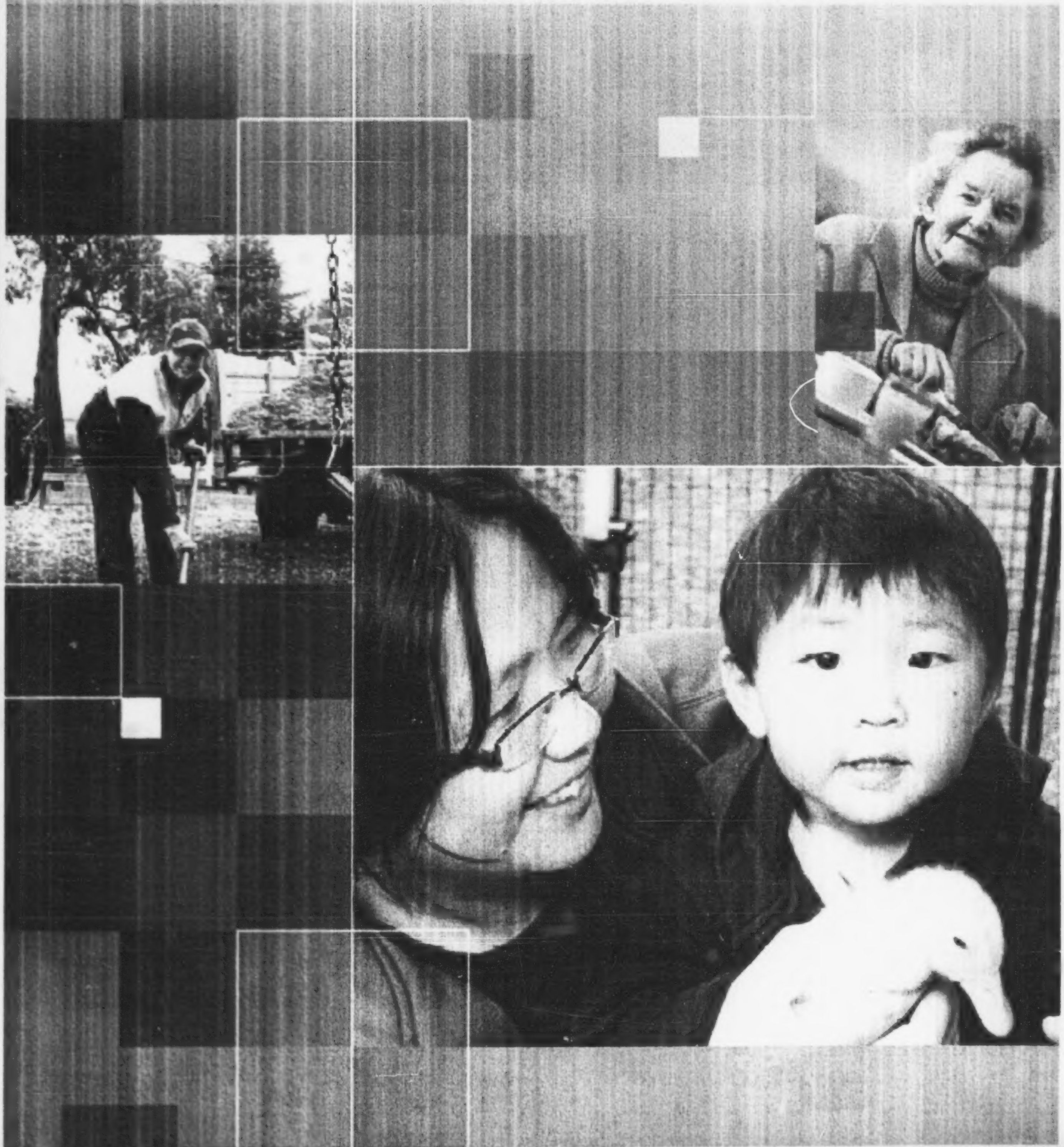
WHITEHORSE

Annual Report 2009/10



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Vision

We aspire to be an inclusive, vibrant, prosperous and sustainable community.

Mission

Whitehorse City Council, working with residents and businesses, will develop this municipality through good governance, proactive strategic planning, efficient, responsive services and quality infrastructure.

Values

In pursuing its goals, Whitehorse City Council believes in and is committed to these values:

Consultation and Communication
Ensuring that members of our community are both sufficiently informed and able to contribute to Council's decision-making processes.

Democracy and Leadership
Recognising and valuing community participation in Council's decision-making as well as Council's role in providing leadership to the community.

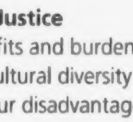
Equity and Social Justice
Sharing the benefits and burdens of living in this city, celebrating our cultural diversity and paying attention to the needs of our disadvantaged residents.

Integrity
Making decisions and acting in ways that reflect our values.

Openness and Accountability
Being transparent in its decision-making, Council welcomes public scrutiny and community feedback.

Sustainability
Making decisions about our social, economic, built and natural environments that will benefit both present and future generations.

Wellbeing
Developing a community that is aware of and seeks to achieve, personal and community wellbeing.



SECTION ONE

About Us

Overview

This report provides a guide to the achievements, performance and financial management Whitehorse City Council has delivered for the community from 1 July 2009 to 30 June 2010.

Our Annual Report is an important document that provides a transparent record of Council's performance in meeting its strategic objectives as set out in *Our Vision for Whitehorse 2006-2016* and the *Council Plan 2010-2014*. It also identifies challenges and difficulties Council has faced over the past 12 months.

Why do we have an annual report?

The *Victorian Local Government Act (1989)* requires all councils to present an Annual Report to the Minister for Local Government by 30 September each year. As well as meeting this statutory requirement, the Annual Report reflects Council's values by ensuring its residents, businesses, staff and potential employees, state and federal politicians, peak bodies, community groups and organisations are sufficiently informed and able to contribute to Council's decision-making processes.

Where to find this report

Copies of this report are available at Council's Customer Service Centres at Nunawading, Box Hill and Forest Hill Chase Shopping Centre and at our libraries. It can also be accessed electronically on Council's website at www.whitehorse.vic.gov.au

For further information, telephone Council on 9262 6333.

Message from the Mayor

This year was my second year as a Whitehorse Councillor and I was honoured to have been elected by my colleagues in December 2009 to lead Council as Mayor. This role has enabled me to put more of my energy and time into Council activities. It's been a busy year with many highlights that I would like to share with you.

Plans for the Community's Future

I am proud of the community strategies we have overseen including:

- The *Community Wellbeing Plan 2009-2013* that provides a vision for community health and wellbeing across the next four years.
- The *Whitehorse Climate Change Adaptation Plan* – a response to the unavoidable impacts of present and future climate change.
- The commencement of *Peak Oil Preparation*, a plan that will examine the impact of the depletion of the world's oil reserves and its consequences for the Whitehorse community and economy and how Council can prepare for this.

Council updated the *Council Plan 2009-2013* to identify Council's priorities for 2010-2014 and define its key strategic objectives. The plan sets Council's direction for the future and details how Council will allocate its financial and non-financial resources to deliver all Council services for the next four years.

This is a positive response to Council's goals and aspirations as documented in the 10-year overarching planning framework *Our Vision for Whitehorse 2006-2016*.

The Council Plan goes further to outline the broad strategies Council will adopt to achieve its strategic objectives. The detailed actions and initiatives that Council will pursue are presented in Whitehorse's annual budget each year.

The *Council Plan 2010-2014* is available from libraries, Customer Service Centres and can be downloaded at www.whitehorse.vic.gov.au

Budget 2009/10

The $121 million Budget 2009/10 focused on maintaining our existing excellent services and a Capital Works Program that had a strong emphasis on investment in our existing facilities and infrastructure.

During the budget planning process Council made a lot of decisions and did a lot of compromising. Everybody had to give a little. I believe that we've succeeded in developing a budget for the community that builds on a range of new and previously introduced sustainable initiatives. The budget has a balanced approach to maintaining an excellent standard of service and facilities for City of Whitehorse residents.

I am pleased to report that Council achieved a modest underlying surplus of $1.8 million for the year which is better than budget expectations. This is mainly as a result of higher rates of interest earned on Council's investments and an adjustment made to Council's depreciation charges.

Underlying result is a good measure of your Council's operating performance and its ability to fund day to day operations and the Capital Works Program. Items listed below the Underlying Result heading (see page 100, Standard Income Statement) are typically accounting entries that don't provide funding or are capital grants that commit Council to undertake specific future construction projects.

Community Satisfaction

Whitehorse residents continue to remain highly satisfied with the delivery of Council services, according to results of the latest *Annual Residents' Survey*.

Council also recorded the highest result for overall performance against other inner metropolitan councils that participated in the *Local Government Community Satisfaction Survey 2010*.

Lastly, on behalf of Council I'd like to thank Noelene Duff, our Chief Executive Officer and all of her staff for their hard work and dedication throughout 2009/10.

I hope that you are able to find some time in your busy lives to read this year's Annual Report and find out more about Council and what we are able to do for you.

Councillor Bill Pemberton
Mayor of Whitehorse

Message from the Chief Executive Officer

I'm pleased to present Whitehorse City Council's Annual Report for 2009/10. This is the tenth Whitehorse Annual Report that I have contributed to and I am happy to share some of Council's many achievements from 1 July 2009 to 30 June 2010.

Budget 2009/10

Council adopted a $121 million Budget 2009/10.

The budget was prepared with an awareness of the current and potential future impact of the global financial crisis on our residents and community.

Key Pressures and Challenges

When setting the Budget 2009/10 Council faced a number of key pressures and challenges including:

- Water restrictions and rising costs associated with drought.
- Maintaining ageing infrastructure.
- Cost shifting from the state and federal governments.
- Rising costs including-insurance, electricity and fuel.
- Pressures on Council's income streams, specifically interest income and fees and charges, as a result of the global economic crisis.

Over $83 Million for Core Services

The Budget 2009/10 had over $83 million earmarked for over 100 Council-supplied core services that ranged from health and family services, home and community care, the maintenance of community facilities, parks, gardens, playgrounds, infrastructure, waste and recycling collection and building and planning services.

Capital Works Program

The Budget 2009/10 featured a comprehensive $23.72 million Capital Works Program. Council placed considerable priority on capital works, directed at maintaining our existing infrastructure assets.

Through the Capital Works Program Council continued to allocate significant resources to delivering a range of improvements to sport and recreation facilities, roads, traffic management, footpaths, drains, improvements to parks and playgrounds, upgraded community facilities and improvements to shopping centres.

This included an allocation of $2.5 million for improvements to sport and recreation facilities, including the Wembley Park redevelopment and Whitehorse's bike path network.

Focus On Sustainability

In line with the *Whitehorse Sustainability Strategy 2008-2013: Our EcoVision*, a wide-ranging series of initiatives were included in the Budget 2009/10.

Each new initiative and the continuation of existing initiatives helps Council achieve greater sustainability through small but significant changes as well as making major steps to help us become carbon-neutral by 2015.

For more information on sustainability initiatives turn to page 31.

Financial Performance

The Budget 2009/10 was delivered in line with Council's Long-Term Financial Plan, retaining cash balanced budgeting and continuing Council's progress towards further consolidating its financial position.

With the Council-adopted six per cent rate revenue increase for the 2009/10, Whitehorse continued to have one of the lowest levels of rates in metropolitan Victoria.

Despite the prevailing global economic uncertainty, it is pleasing that an underlying surplus of $1.8 million was achieved, being better than budget, and that Council continued to increase the proportion of the Capital Works Program directed to existing community assets. These are important steps to ensure Council continues to provide quality services and facilities that meet the growing needs of the community for years to come.

For more information on Council's financial performance, turn to page 43 for the financial summary and page 95 for the detailed financial section.

Highlights

There have been numerous highlights during 2009/10 including:

Springvale Road Rail Grade Separation

After working for several years to find a solution to the significant problems at and around the railway crossing in Springvale Road with the federal and state governments, Whitehorse City Council was happy to see the grade separation completed in January 2010.

The Springvale Road level crossing was one of the busiest in Melbourne with more than 50,000 vehicles, 218 trains and around 5000 pedestrians sharing the same road space every day at this location.

In 2008, Council facilitated the preparation of a detailed study looking at addressing the issues in conjunction with the other levels of government. As a result of the report, the federal government confirmed its commitment of $80 million towards the project and in 2009 Victorian Premier John Brumby confirmed a further $60 million. Works began on this major Whitehorse community project in May 2009.

The Belgrave and Lilydale train tracks were lowered by 8 metres. A new road bridge spanning the rail line was constructed to carry three lanes of traffic each way along Springvale Road at the same level as the existing road. A new railway station was built on the west side of Springvale Road replacing Nunawading Station on the east side. A pedestrian underpass was created to allow access to the station and people to cross Springvale Road safely.

Now completed, this project stands to bring considerable benefits for our community, including the reduction of congestion, greater road safety and improved opportunities for local businesses, smoother traffic flows, improved public transport and future development opportunities.

Victoria Rose Sensory Play Space

The Victoria Rose Sensory Play Space is located at the Victoria Rose Reserve in Box Hill. The installation replaced a dated playground with an all-abilities play space that offers a highly valued play experience for all members of the community. The project took over two years to complete and has involved local children and a neighbouring special-needs school as key contributors to the project's development. The result has been a play space with elements that enable people who use the space to investigate, learn and discover through play.

And finally, no leader can be more effective than those around them and I am fortunate to have expert support and counsel from an accomplished executive management team and Council officers. All share a commitment to Council's values and are dedicated to serving our residents, ratepayers, Councillors and any organisation or individual that requires their assistance.

I hope that you are able to find the time to read through this comprehensive document and discover more about the services, activities and financial details of Council.

Noelene Duff
Chief Executive Officer

Your Councillors

About Local Government

Local government is one of the three tiers of government in Australia: federal, state/territory and local.

It is the most accessible level of government for the average citizen. Whitehorse City Council is one of 79 municipalities in Victoria, which range from big metropolitan cities to small country shires.

Whitehorse City Council, like state and federal governments, has a 'legislature' made up of elected representatives (Councillors). Councillors are concerned citizens who have offered themselves for election as representatives of the residents of the city's electoral wards. They receive no salary, just an annual allowance.

For more information about Victorian Local Government, visit the websites of:

- Municipal Association of Victoria (MAV) – www.mav.asn.au
- Local Government Professionals (LGPro) – www.lgpro.com
- Australian Local Government Association – www.alga.asn.au
- Department of Planning and Community Development – www.localgovernment.vic.gov.au

Our Councillors

Whitehorse City Council has ten Councillors elected by residents to govern the city. Councillors work together to set Council's strategic direction and to make important decisions regarding the whole municipality. In making these decisions, Councillors consider the views of, and consult with, the community. They also work closely with the Chief Executive Officer and Council administration.

The City of Whitehorse is divided into five wards: Central, Elgar, Morack, Riversdale and Springfield. The boundaries of Whitehorse's five wards were changed slightly in November 2008 following an Electoral Representation Review by the Victorian Electoral Commission in the first half of 2007.

Two Councillors are elected to represent each ward, every four years. The Mayor is elected by the Councillors to serve as the principal ambassador for the city for a twelve-month term.

Whitehorse City Council conducts a monthly Ordinary Council meeting as the formal process to discuss Council business. This meeting is where Councillors make decisions, state opinions, approve proposals, fulfill the statutory requirements of Council, approve its budget and expenditure and plan for the future. This meeting has specific procedural requirements that must be adhered to in accordance with Council's Local Law meeting procedure.

Whitehorse City Council established Special Committee meetings to provide the community with a forum to raise matters relevant to Council that are not able to be heard at Ordinary Council meetings due to procedural or time constraints.

Special Committee meetings enhance the consultative process and facilitate public participation and involvement of the community in council decision making.

Special Committee meetings are primarily for:

- Public submissions on matters other than land planning.
- Other business Councillors want to flag for the next meeting.
- Public comment on matters discussed at the Special Committee meeting.

These are all matters of business that cannot be raised at Ordinary Council meetings.

The following Councillors are elected to serve until the Local Government Elections in November 2012. (Wards listed alphabetically):

Central Ward

Cr Andrew Munroe
PO Box 30, Blackburn Vic 3130
Phone: 9878 8235
andrew.munroe@whitehorse.vic.gov.au

Official Council Appointments

- Audit Advisory Committee.
- Budget 2010/11 Reference Group.
- Local Government's Waste Management Forum to support the Metropolitan Waste Management Group (substitute Councillor).
- Metropolitan Transport Forum.

HIGHLIGHTS

In addition to my ongoing roles on Council's Audit Committee and as Whitehorse's representative on the Metropolitan Transport Forum, I was pleased to serve as Chair of the Budget Reference Group. This group played an important role in the budget process and was a key conduit to the earlier and expanded community consultation undertaken for this budget, which I trust has led to a better outcome for all concerned.

Cr Bill Pemberton, Mayor
18 Main Street, Blackburn Vic 3130
Phone: 9877 2062
bill.pemberton@whitehorse.vic.gov.au

OFFICIAL COUNCIL APPOINTMENTS

- Advisory Committee for the Review of the Chief Executive Officer's development.
- City of Whitehorse Scholarship Committee.
- International Council for Local Environment Initiatives (ICLEI).
- Local Government's Waste Management Forum to support the Metropolitan Waste Management Group.
- Municipal Association of Victoria (MAV).
- MAV Ecologically Sustainable Development Advocacy Group.
- MAV Metropolitan Housing Growth Reference Group.
- MAV Transition Community Working Group.
- Victorian Local Governance Association.
- Whitehorse Reconciliation Policy and Action Plan Advisory Committee.

HIGHLIGHTS

Being elected Mayor has allowed me to put more of my energy into Council activities. I am proud of the community strategies we have overseen including the *Community Wellbeing Plan*, the *Climate Change Risk Assessment* and the upcoming Peak Oil Report. Installing 200,000 litre rainwater tanks for the community gardens at Slater reserve in Blackburn North. As the representative on the Metropolitan Waste Management Group I have been active in changing the forum to be a better voice for local government. My work with the Reconciliation Policy and Action Plan Advisory Committee has been inspiring in its achievements in making reconciliation real in Whitehorse.

Elgar Ward

Cr Robert Chong OAM
PO Box 34, Box Hill Vic 3128
Phone: 9894 3713
robert.chong@whitehorse.vic.gov.au

OFFICIAL COUNCIL APPOINTMENTS

- Audit Advisory Committee.
- Budget 2010/11 Reference Group.

HIGHLIGHTS

I continued to work successfully for Elgar Ward in particular on projects such as traffic lights for Middleborough and Albion Roads, floodlighting for Mont Albert Reserve, improved navigational signage for Box Hill, supporting a national youth event at Box Hill Skate Park and contributing to the *Whitehorse Open Space Strategy* to make sure we have a long-term plan for buying land for open space.

Cr Helen Harris OAM
40 William Street, Box Hill Vic 3128
Phone: 9897 1312
helen.harris@whitehorse.vic.gov.au

OFFICIAL COUNCIL APPOINTMENTS

- Advisory Committee for the Review of the Chief Executive Officer's development.
- Heritage Steering Committee.
- Visual Arts Committee.

HIGHLIGHTS

I enjoyed the chance to meet with many residents and community groups during my Mayoral term to December 2009, to officiate at Citizenship Ceremonies and see the pride and excitement on the faces of our newest citizens; to host some of our long-serving community volunteers at the Art Deco-themed Mayoral Dinner; and to launch the long-awaited publication on Whitehorse's history. The book is not only a tribute to former and current residents but a credit to all involved in its publication.

Morack Ward

Cr Mark Lane
PO Box 4209, Burwood East Vic 3151
Phone: 9877 6956
mark.lane@whitehorse.vic.gov.au

OFFICIAL COUNCIL APPOINTMENTS

- Budget 2010/11 Reference Group.
- MAV (substitute Councillor).
- MAV Planning Advisory Committee.
- Municipal Early Years Plan Evaluation Committee.
- Visual Arts Committee.
- Victorian Legal Governance Association (substitute Councillor).
- Whitehorse Business Group Inc.

HIGHLIGHTS

Morack Ward forums continue to be an opportunity for residents to discuss their issues. My year as one of the Council delegates to the Whitehorse Business Group has been filled with change as the group redefined its position in the business community. Being on the Whitehorse Municipal Early Years Committee and the Visual Arts Advisory Board has been very rewarding and interesting. As the representative for the MAV Planning Advisory Board, I have learnt what planning issues other councils have and how they relate to those in Whitehorse. There is still much to do and I look forward to continuing lobbying the state and federal governments and serving the people of Whitehorse.

Cr Raylene Carr
PO Box 6060, Vermont South Vic 3133
Phone: 9803 0913
raylene.carr@whitehorse.vic.gov.au

OFFICIAL COUNCIL APPOINTMENTS

- Advisory Committee for the Review of the Chief Executive Officer's development.
- Heritage Steering Committee.
- Whitehorse Disability Advisory Committee.
- Whitehorse Manningham Regional Library Corporation.

HIGHLIGHTS

Morack Ward forums have continued to be a great success. I have successfully addressed a number of residents' concerns surrounding trees, signage, traffic, footpaths, overhanging foliage and planning issues. I received endorsement from my colleagues on my motion to allocate 60 per cent of open space funds to the acquisition of open space and was honoured to represent Whitehorse at numerous community events. Personally, my greatest achievement is listening to residents and helping them achieve.

Riversdale Ward

Cr Sharon Ellis
PO Box 8178, Burwood Heights 3151
Phone: 9890 8057
sharon.ellis@whitehorse.vic.gov.au

OFFICIAL COUNCIL APPOINTMENTS

- Advisory Committee for the Review of the Chief Executive Officer's development.
- Chair Affordable Housing Reference Group.
- Chair Whitehorse Disability Advisory Committee.
- Eastern Region Affordable Housing Alliance.
- MAV Human Services Advisory Group.
- MAV Metropolitan Housing Growth Reference Group – Proxy.
- RSL-City of Whitehorse Scholarship Committee.
- Whitehorse Manningham Regional Library Corporation.

HIGHLIGHTS

I was pleased to see works on Wembley Park Pavilion and the Nunawading Library upgrade commence. I've enjoyed my roles on the various committees I served on. The lengthy and challenging annual budget process was ultimately rewarding when we provided maximum service delivery and important capital works while keeping rate rises to a minimum.

Cr John Koutras
PO Box 8066, Burwood Heights 3151
Phone: 9888 8732
john.koutras@whitehorse.vic.gov.au

OFFICIAL COUNCIL APPOINTMENTS

- Budget 2010/11 Reference Group.
- Whitehorse Business Group Inc.

HIGHLIGHTS

The excellent Whitehorse Business Week in August is an event that grows in popularity each year. I enjoyed being part of the Budget Reference Group which enabled Councillors to have valuable input into the budget process. It's great to see works on the Wembley Park Pavilion almost complete and I am looking forward to another productive year on Council representing the community.

Springfield Ward

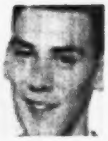
Cr Philip Daw
PO Box 2152, Rangeview Vic 3132
Phone: 9873 3108
philip.daw@whitehorse.vic.gov.au

OFFICIAL COUNCIL APPOINTMENTS

- Eastern Transport Coalition.
- MAV Local Sustainability Network.
- MAV Transport and Infrastructure Advisory Group.
- RSL-City of Whitehorse Scholarship Committee.

HIGHLIGHTS

This year saw Council again position itself to achieve a balanced budget. The budget has kept rates down while maintaining service delivery and capital works and maintenance programs and Springfield Ward has received its fair share of funding. I am pleased to represent Whitehorse on the Eastern Transport Coalition where I advocate for Whitehorse's transport needs.



Cr Ben Stennett
PO Box 120, Nunawading 3131
Phone: 9878 2472
ben.stennett@whitehorse.vic.gov.au

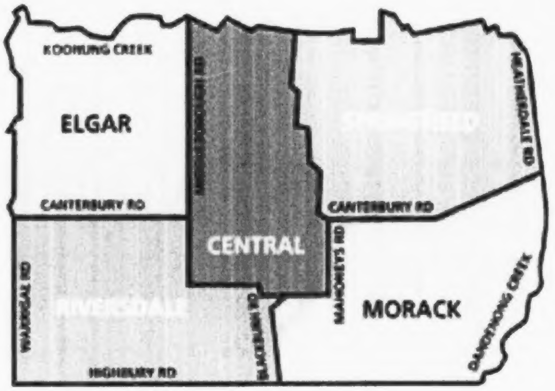
OFFICIAL COUNCIL APPOINTMENTS

- Budget 2010/11 Reference Group.
- City of Whitehorse Scholarship Committee.
- Municipal Early Years Plan Evaluation Committee.

HIGHLIGHTS

I am proud of Council achievements this year including the successful lobbying for grade separation at Nunawading which brought less traffic congestion and better safety. Council has improved its level of consultation with the community about the budget and while our rates remain low, the level of service provision and asset maintenance remains strong. Council gave back nearly $1 million through community grants and the *Early Years and Youth Plans* were adopted.

Municipal Map



About Whitehorse

Our Location

The City of Whitehorse is located just 15 kilometres east of Melbourne and covers an area of 64 square kilometres. The municipality is bounded by the City of Manningham to the north, the Cities of Maroondah and Knox to the east, the City of Monash to the south and the City of Boroondara to the west. Whitehorse's suburbs include Blackburn, Blackburn North, Blackburn South, Box Hill, Box Hill North, Box Hill South, Burwood, Burwood East, Forest Hill, Mitcham, Mont Albert, Mont Albert North, Nunawading, Surrey Hills, Vermont and Vermont South.

Our Residents

Whitehorse has a population of approximately 155,000 residents with almost one-third born overseas. The 2006 Census data shows that more than 110 different languages are spoken by residents of the city. The most common languages other than English are Cantonese, Mandarin, Greek, Italian, Vietnamese, Hindi, German, Sinhalese, Korean, Indonesian and Arabic.

The 2006 Census data also reveals that approximately 66 per cent of Whitehorse's residents are aged between 18 and 69, 21 per cent are aged under 18 years and 13 per cent are aged over 70.

Volunteering is an important part of the lives of many people living in Whitehorse with 20.5 per cent of residents volunteering to help the community in some capacity compared to 15.5 per cent for the Melbourne average.

Our History

The City of Whitehorse was proclaimed in December 1994, following the amalgamation of the former cities of Box Hill and Nunawading. The birth of the city reunited the suburbs that formed the original Shire of Nunawading more than one hundred years ago.

The municipality derives its name and logo from a white horse statue, dating back to the 1850s, that adorned the front entrance of the city's first hotel the White Horse Inn.

The statue's history is bound up with a temperance campaign. In 1920, the year prohibition officially came into force in the United States, local option polls were undertaken and the Nunawading district, which included Box Hill, was one of only two in Victoria which voted to completely ban liquor licensing. As a result, the White Horse Inn, opened in 1853, was forced to cease trading. It became a boarding house until 1933 when it was demolished. At that time the owners donated the old hotel's symbol, the white horse statue, to the city and it was erected on the former site of the hotel. The white horse symbolises the city's identity and appeared on the former City of Box Hill's coat of arms.

Tom Roberts, one of Australia's greatest landscape painters, came to Box Hill shortly after returning from a trip to France and Spain, where he had fallen under the spell of the impressionist movement. He was determined to capture the play of light and shade in the Australian countryside and was attracted by the open country that surrounded Box Hill. He was joined by several of Australia's most famous artists from 1885 to 1888.

Roberts and his friend and fellow painter, Frederick McCubbin, dissatisfied with the conservative approach to landscape painting which existed in most of Australia's art schools, chose Houston's Farm at Box Hill. They were soon joined by a number of other artists including Arthur Streeton, Louis Abrahams, Charles Colder, Jane Sutherland, Tom Humphrey and John Mather.

The City of Whitehorse has an impressive art collection containing a total of nine works by members of the Box Hill Artists' Camp, including McCubbin, Roberts and Streeton.

Our Logo

The city's logo is modelled on the knight, which is one of the most powerful and flexible pieces in the game of chess. The significance of the white horse emanates from the historical and mythological representation of strength, courage and fertility. The symbol of the white horse in Celtic mythology comes from the Goddess Epona (Gaul), Macha (Eire) and Rhiannon (Britain), each a guardian of good fortune 'for monarch and tribe'. In astrology the white horse characterises freedom, strength and growth.

Our Services and Facilities

Whitehorse Council provides more than 100 high quality services and facilities across a range of areas including Community Services, Environmental Services, Customer Services, Health and Wellbeing, Planning and Building, Parks and Gardens and more.

Our Assets

The City of Whitehorse has a broad base of infrastructure assets, which provide services for our community. Over 700 kilometres of roads, 1300 kilometres of footpaths, 824 kilometres of stormwater drainage network, 375 buildings and facilities. Including Early Childhood and Maternal Care, Leisure and Recreation, Community and Cultural facilities, 60 sports fields, 174 playgrounds and an immense asset register of street trees as well as extensive bushland and parkland.

Our Staff

Council values its staff and the contribution they make to the organisation and the wider community. Council's workforce is approximately 1121 employees, many of these in part-time roles. As at 30 June 2010, there were 647 Equivalent Full-Time (EFT) positions. Whitehorse has a high percentage of staff who live locally with approximately 44 per cent of the workforce, (494 staff members) living in the municipality.

Our Features

Whitehorse is uniquely characterised by quiet tree-lined residential streets (with some areas dating back to the 1940s), a wealth of parks, gardens and natural bushland reserves, a range of bustling shopping centres, many arts and cultural opportunities and sports and leisure facilities.

The Whitehorse community has access to an extensive public transport system with trains, trams and buses all widely serving the area. Whitehorse boasts some of the region's leading educational, medical and leisure facilities and is home to the largest high technology precinct in eastern Melbourne, placing it at the cutting edge of the telecommunications, multimedia and information technology industry.

Our Local Attractions

Whitehorse has many attractions for its residents and visitors to discover and experience including:

- Box Hill Town Hall which is a vibrant hub for Whitehorse community groups incorporating an accredited art space to display Council's comprehensive art collection and a convenient meeting place for local businesses.
- The Whitehorse Centre, the city's premier arts and cultural centre, attracts thousands of theatre lovers each year. The Whitehorse Professional Theatre and Music Season showcases some of the best professional theatre from around the country at the centre.
- Schwerkolt Cottage and Museum complex in Mitcham is a heritage-listed pioneer's stone cottage in a garden setting surrounded by 2.25 hectares of bushland. This popular attraction is open to the community on weekends.
- The Box Hill Community Arts Centre is an artistic and cultural hub and home to a wide variety of local arts and community groups. The centre offers art and craft classes, an exhibition space, art shop and community meeting space.
- Blackburn Lake Sanctuary is one of the area's most important environmental assets and is regarded as one of the most significant bird refuges in metropolitan Melbourne.
- Sportlink Vermont South, Aqualink Nunawading and Aqualink Box Hill are recreational facilities that attract thousands of people each week.
- An outstanding range of community events and festivals, including Australia Day celebrations, the annual Spring Festival, Summer Music Series and Carols by Candlelight.

Office and Contact Details

Council's main administration office and Customer Service Centre is located at:

Whitehorse Civic Centre
379-397 Whitehorse Road, Nunawading Victoria 3131

Hours: Weekdays 8.30am-5.30pm
Cashiers open for payment weekdays 8.40am-5pm

Other service centres are located at:

Box Hill Town Hall
1022 Whitehorse Road, Box Hill Victoria 3128
Hours: Weekdays 9am-5pm

Forest Hill Chase Shopping Centre
Shop 130, Canterbury Road, Forest Hill Victoria 3131
Hours: Weekdays 9am-5pm, Saturday 9am-12pm

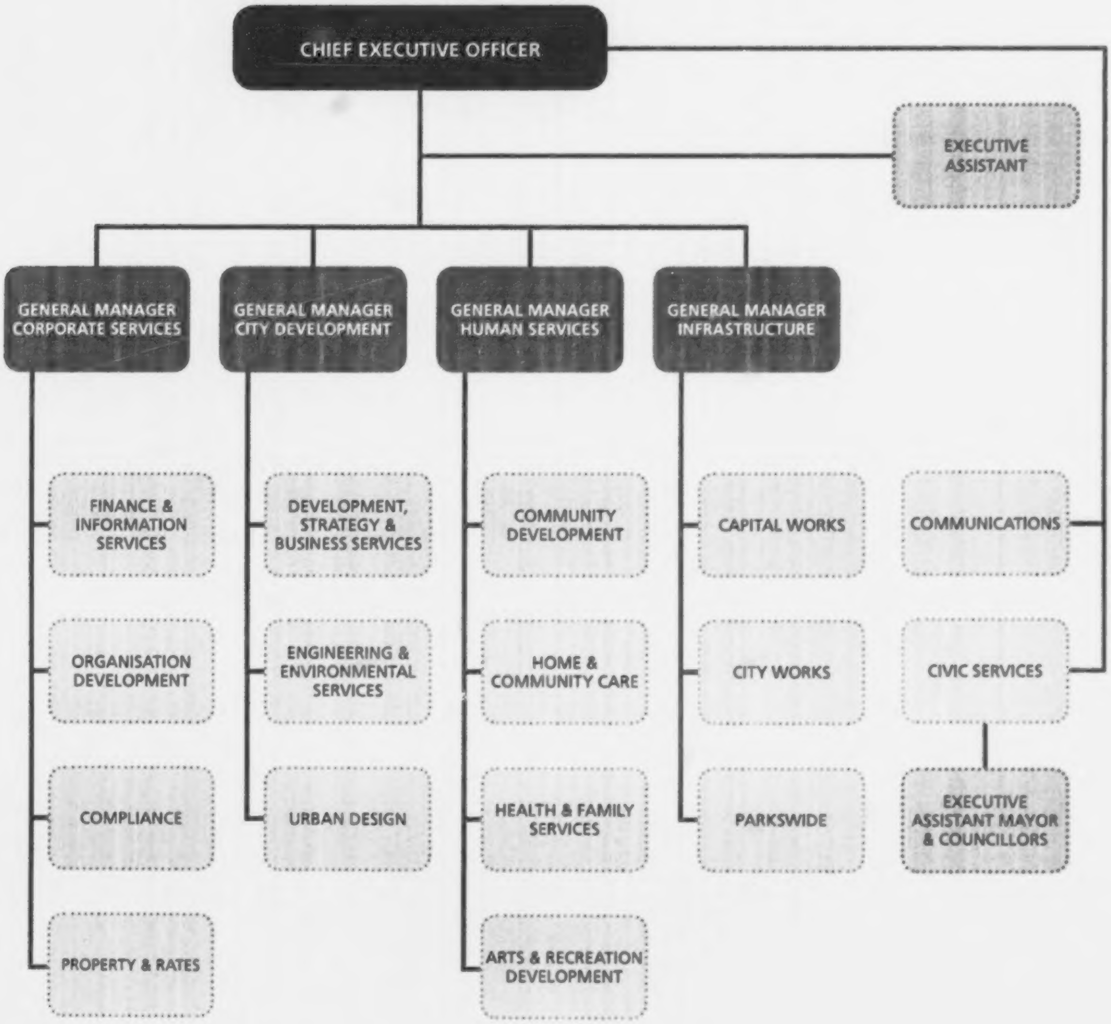
Council's postal address is:
Whitehorse City Council
Locked Bag 2, Nunawading DC Victoria 3131

Phone: 9262 6333
Fax: 9262 6490
TTY: 9262 6325 (Service for deaf or hearing impaired people)
TIS: 131 450 (Telephone interpreter service. Call and ask to be connected to Whitehorse City Council)

Email: customer.service@whitehorse.vic.gov.au

Website: www.whitehorse.vic.gov.au

Our Organisation


CHIEF EXECUTIVE OFFICER
EXECUTIVE ASSISTANT
GENERAL MANAGER CORPORATE SERVICES
GENERAL MANAGER CITY DEVELOPMENT
GENERAL MANAGER HUMAN SERVICES
GENERAL MANAGER INFRASTRUCTURE
FINANCE & INFORMATION SERVICES
ORGANISATION DEVELOPMENT
COMPLIANCE
PROPERTY & RATES
DEVELOPMENT, STRATEGY & BUSINESS SERVICES
ENGINEERING & ENVIRONMENTAL SERVICES
URBAN DESIGN
COMMUNITY DEVELOPMENT
HOME & COMMUNITY CARE
HEALTH & FAMILY SERVICES
ARTS & RECREATION DEVELOPMENT
CAPITAL WORKS
CITY WORKS
PARKSWIDE
COMMUNICATIONS
CIVIC SERVICES
EXECUTIVE ASSISTANT MAYOR & COUNCILLORS

Executive Management Team

Whitehorse City Council's Executive Management Team (EMT) comprises the Chief Executive Officer (CEO) and four General Managers who are responsible for the following divisions:

- Executive Services
- Corporate Services
- City Development
- Human Services
- Infrastructure

Executive Profiles

Noelene Duff

Chief Executive Officer

Noelene has a Master in Business, Graduate Diploma in Business, Bachelor of Social Work and Bachelor of Arts. Professional roles have included President of Local Government Managers Australia (LGMA), the national peak body for Local Government Managers, President of Local Government Professionals (LGPro), the Victorian association for Local Government Professionals. She is also a Fellow of the Australian Institute of Company Directors, the Institute of Public Affairs Australia, Australian Institute of Management, LGMA and LGPro. Noelene is a member of the Box Hill Institute Board, Executive and Audit Advisory Committee. Noelene has the privilege to serve as Vice President of the International City/County Managers Association based in Washington, representing Oceania.

Areas of Responsibility: As CEO, Noelene is responsible for the $121 million budget, the overall management and performance of all Council operations. Four General Managers report to her and she is directly responsible for the Civic Services and Communications Departments.

HIGHLIGHTS OF 2009/10

- Successfully lobbying the state and federal governments to secure funding for Springvale Road Rail Grade Separation Project.
- Continued positive feedback from the community on their satisfaction with Council's overall performance and specifically Council's performance in operational and community services, facilities and events.
- Continued strong advocacy role on behalf of the community which achieved funding for the upgrade of Wembley Park Stadium and Sportlink Vermont South.

CHALLENGES AHEAD

- Continuing to meet the high expectations of our community for a wide range of services.
- Managing the changes impacting on Whitehorse created by increasing urban density.

Peter Smith

General Manager Corporate Services

Peter has a Bachelor of Commerce from Melbourne University and is a registered CPA with the Australian Society of Accountants. He is also a Graduate Australian Institute of Company Directors.

Areas of Responsibility in 2009/10: Finance and Information Services, Organisation Development, Compliance and Property and Rates.

HIGHLIGHTS OF 2009/10

- Completion of year-two initiatives under Council's *Domestic Animal Management Plan*.
- Completion of TRIM information systems rollout.
- Enhanced consultation processes guiding the development of the Budget 2010/11.
- Successful completion and implementation of the Enterprise Bargaining Agreement.

CHALLENGES AHEAD

- Growing compliance and legislative obligations
- Replacing Council's ageing telecommunications systems.
- Continuing steady progress towards achieving the financial sustainability measures set out by the Victorian Auditor General.
- Workforce planning strategies to support attraction and retention of high quality staff.

Julie Reid

General Manager City Development

Julie has a Bachelor of Arts (Urban Studies), Master of Planning, Graduate Diploma of Management (Distinction). Julie is a Certified Practising Planner with the Planning Institute of Australia.

Areas of Responsibility: Development, Strategy and Business Services, Engineering and Environmental Services and Urban Design.

HIGHLIGHTS OF 2009/10

- Representing Council during the delivery of the Springvale Road Rail Grade Separation.
- Completion of the Whitehorse Planning Scheme Review.
- Delivery of $8.6 million worth of capital works improvements to roads, drains, shopping precincts and playgrounds.

CHALLENGES AHEAD

- Seeking funding to support Box Hill Central Activities District.
- Reviewing the *Waste Management Plan* and responding to emerging trends in the waste industry.
- Responding to Peak Oil and understanding the implications at a local level.
- Managing growth and planning for sufficient housing needs.

Terry Wilkinson

General Manager Human Services

Terry has a Graduate Diploma in Business Administration and a Master of Business Administration, Fellow LGMA, and is a Graduate of the Australian Institute of Company Directors.

Areas of Responsibility: Aged and Disability Services, Arts and Recreation Development, Community Development, Health and Family Services and Library Services.

HIGHLIGHTS OF 2009/10

- Excellent Spring Festival and Australia Day events delivered.
- High satisfaction survey results received for Human Services.
- Successful Seniors Festival.
- Work of the Whitehorse Youth Representative Committee.

CHALLENGES AHEAD

- Ongoing advocacy for increased funding, particularly in light of the Council of Australian Governments reforms.
- The implementation of the new children services regulations and the future increasing costs for childcare.
- Workforce planning – ensuring Council's Human Services has the right people with the right skills that can continue to deliver services for the community.
- Redevelopment of Aqualink Box Hill.
- Completion of the *Whitehorse Community Wellbeing Plan 2009-2013, Municipal Early Years Plan and Municipal Youth Plan*.

Phil Warner

General Manager Infrastructure

Phil has a Diploma of Environmental Science, a Graduate Diploma in Highway and Traffic Engineering and Diploma Company Directors Course. Fellow of LGPro and Institute of Public Works Engineering Australia.

Areas of Responsibility: Capital Works, City Works and ParksWide Departments.

HIGHLIGHTS OF 2009/10

- Delivery of Council's comprehensive $23.72 million Capital Works Program.
- Compliance with Council's obligations under the revised *Road Management Plan*.
- Managing vegetation during drought conditions and after numerous severe storm events.

CHALLENGES AHEAD

- Implementation of a Whitehorse Asset Management System.
- Investment in Council's existing assets to ensure that an appropriate level of service can be delivered to the community.
- Managing open space in challenging climate conditions.

Our Staff

Whitehorse City Council values the contribution of its dedicated people in delivering more than 100 different services to 155,000 residents in the community. These staff also assist in managing Council assets valued at approximately $1.7 billion.

Council prides itself on providing a safe and enjoyable working environment and management is committed to ensuring the wellbeing and harmony of all employees to ensure they achieve Council's objectives to the best of their ability.

Council's *Human Resources Strategic Framework* and its *Collective Agreement 2009* are central to its human resource management strategies. The core values and standards of performance required by all staff are set out in the agreement highlighting teamwork, professionalism and a commitment to residents and customers.

Staff Profile

- Full time: 375(compared with 369 in 2008/09)
- Part time: 449 (compared with 476 in 2008/09)
- Casual: 297 (compared with 251 in 2008/09)
- Females: 729
- Males: 392

In 2009/10 there were 147 vacancies advertised for the organisation, the majority being vacancies from employees leaving the organisation or being promoted. The turnover rate for Council staff overall was approximately 12.49 per cent.

Listening to Our Staff

Whitehorse City Council employees are consulted in a range of ways including a comprehensive intranet service. The Whitehorse City Council Consultative Committee is an important consultation mechanism for employees comprising five employee delegates and five management representatives who oversee industrial issues and provide advice to management on developing a harmonious, productive and satisfying workplace.

The committee and union representatives completed the negotiation of a new Collective Agreement in December 2009 that became effective on 24 February 2010.

The Agreement provides Council with an ongoing and constructive employee relations framework. Extensive consultation mechanisms are also in place for Occupational Health and Safety processes.

Following on from a Workforce Planning project that commenced in 2009, Council undertook an extensive staff survey in March 2010. The responses will enable Council to plan effectively for our future workforce needs.

Family Friendly / Work Life Balance

Whitehorse City Council strives to be an employer of choice and is committed to assisting employees in managing the balance between work, family and outside interests. Council's wide range of flexible work practices and family friendly provisions include:

- The ability to purchase additional annual leave.
- Return to work on reduced hours (part time) after parental leave until children have reached school age.
- Job-share arrangements to assist with returning to work on reduced hours after parental leave.
- Phased retirement.
- Working from home.
- Flexible hour arrangements.
- Paid maternity (16 weeks) and paternity (2 weeks) leave.
- Assisting with the cost of childcare for out of hours meetings that employees are required to attend.
- Carer's leave.

Equal Opportunity and Human Rights

Council is committed to providing a workplace free of all forms of discrimination, bullying and harassment. It aims for equality of opportunity for all employees and ensuring that the principles of the Human Rights Charter are embedded in our employee policies, practices and culture.

The objective of Council's Equal Opportunity Policy and activities are to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act (1995)* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation. Further objectives include ensuring the workplace is free from bullying and harassment. The policy and activities are implemented by extensive training programs for all staff and Councillors, grievance mechanisms, trained equal opportunity contact officers and access to policy and procedures documents in staff handbooks and on the intranet.

More specifically an outline of the activities and some outcomes for the past year of Council's commitment to maintain awareness of and meet our equal opportunity obligations for our employees are:

- Council has a current and promoted Equal Opportunity Policy. This policy was revised by the Victorian Equal Oppurtunity and Human Rights Commission prior to extensive training programs rolled out this year.
- Council has an internal support structure that provides employees with information and support and the opportunity to resolve matters confidentially and promptly at the lowest possible level. The support mechanism includes provision of training to officers in nominated positions to support this structure. Training was provided for these employees this year.
- Trained contact officers (part of the Equal Opportunity Structure) are also available throughout the organisation to provide a first point of confidential contact and information for employees on equal opportunity issues. Contact officers had refresher training and new contact officers were recruited and trained to replace officers who had left during the year.
- Employees are aware of their rights and obligations under the Equal Opportunity Policy and the Act by providing specific initial, ongoing and systematic training for staff, management and nominated employees within Council's Equal Opportunity Structure. 307 employees attended face to face training and 138 undertook e-learning training on Equal Opportunity and Human Rights for the year.
- Inappropriate behaviour is not tolerated in the workplace or in employment practices.
- Merit-based appointment practices are applied in all recruitment and selection activities.
- Equitable access is provided for training and development opportunities.
- Equitable application of industrial instruments and conditions of employment.
- Equal Opportunity issues raised are resolved promptly and fairly in accordance with the principles of natural justice. One Equal Opportunity issue was raised, investigated and resolved during the year.
- Council committed to complete a self assessment against a WorkSafe enforceable undertaking for a rural council, to ensure compliance at Whitehorse with Bullying prevention provisions in Occupational Health and Safety legislation.

The Equal Opportunity and Human Rights Committee meets on a regular basis to promote employee and management awareness, consider relevant issues and contribute to resolution and advice.

Learning and Development

Council encourages all employees to reach their full potential by pursuing and developing their career and professional interests. A range of formal and informal learning opportunities and development activities are provided. These have been identified in consultation with management and employees through Council's Performance Appraisal and Development Program.

These opportunities include:

- Corporate Training: generic learning and development which increases organisational capacity in management and skill development. For example computer skills, compliance training such as Equal Opportunity or Occupational Health and Safety and conflict management.
- Departmental: specific training to improve and develop departmental or divisional service delivery. For example tailored team building.
- Positional: specific training to perform the duties of the position.
- Seminars/Conferences: attendance at relevant conferences and seminars to assist with professional development.
- Career Development: focusing on long-term career development and career planning. For example, study assistance to pursue relevant tertiary courses and the use of traineeships to introduce new employees into the organisation while they study.
- Compliance Training: sessions relating to the welfare of staff such as Equal Employment Opportunity, Human Rights Charter, Bullying and Harassment Prevention, Privacy, Fraud Prevention and more.

Occupational Health And Safety And Workcover

Whitehorse City Council continues to ensure that it meets its Occupational Health and Safety obligations. There has been ongoing development and review of Council's Safety Management System to ensure it reflects the organisation's operational requirements.

Occupational Health and Safety consultation occurs at two levels, via the Corporate Consultative Committee and local area meetings. Occupational Health And Safety training is delivered at an organisational and local area level. *Fitness for Work* initiatives, including pre-employment medicals and health surveillance programs, have been implemented and will continue to be developed.

An ongoing WorkCover induction program is in place for managers and supervisors to assist with understanding the Workers Compensation system and ensure compliance with the *Accident Compensation Act (1985)* and the new *Accident Compensation Amendment Bill (2009)*. A series of training workshops will be delivered in conjunction with our WorkCover insurance agent to assist managers and supervisors with understanding and compliance in respect to the recent changes to the Act, which became effective 5 April and 1 July 2010.

Health And Safety Achievements In 2009/10

- Developed an action plan as part of a pilot project run by WorkSafe Victoria (WorkSafe Employer Performance Management Program audit) to enhance Council's Occupational Health And Safety and Injury Management Systems.
- Improvements in Occupational Health And Safety reporting and the visibility of Occupational Health And Safety performance data.
- Improved understanding and knowledge through coordination of the revision of building emergency procedures for all sites to ensure compliance with relevant Australian Standards.
- Completed a test and tag regime to ensure portable electrical equipment is safe for use and is compliant with the relevant Australian Standards.
- Work health assessments offered to all employees to create greater awareness of general health.
- Improved health and wellbeing of outdoor staff by conducting skin checks and education programs as part of the sun protection policy.
- Implementated an online contractor induction system to enable greater compliance with Occupational Health And Safety legislation in contractor management in the Infrastructure Division and development in other areas.
- Improved awareness and involvement of all staff through Health and Safety Month initiatives in October.
- Implemented an overarching Building Emergency Preparedness policy to provide a clear direction of responsibility for Council buildings.
- Implemented *Stress Management Policy* to address process for managing stress in the workplace and holistic approach to management.
- Developed occupational health and safety-specific key performance indicators.
- Conducted tender process for an Occupational Health And Safety/WorkCover Management Software system to improve reporting, recording and best practice initiatives.
- Introduced a quarterly first aid kit audit program to ensure that first aid kits are up to date.

Working With Our Community

In pursuing its goals Whitehorse City Council believes in and is committed to consulting and communicating with the community.

These actions form part of Council's Values and ensure that members of our community are sufficiently informed and able to contribute to Council's decision-making processes.

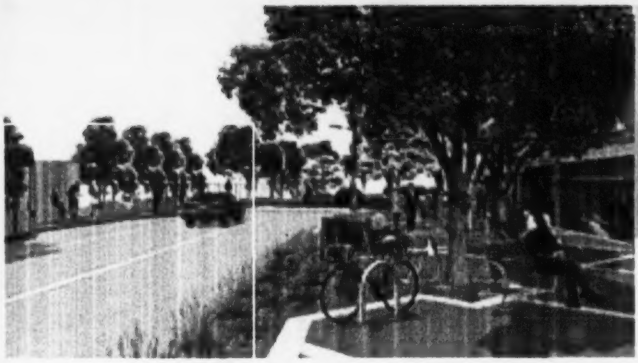
Council regularly invites people who live, work or study in the municipality to provide feedback on ideas and plans. Council also carefully considers annual community surveys that offer a close look at Council's performance. This section reports on some of the ways Council has heard from its community to develop strategies and plans throughout 2009/10.

Community Consultation

Council values the ideas and contribution provided by its local community and regularly seeks feedback on proposed plans and strategies. Council also has appointed advisory committees which provide regular feedback on the development of specific areas of work.

In the 2009/10 year, Council invited the community to comment on the following matters through forums, surveys, online and written submissions, face to face meetings and submissions to Council's Special Committee meetings:

- Annual Combined Nursery Forum (ParksWide Nursery, Greenlink Nursery and Bungalook Nursery)
- Annual Parkland Community Forum
- *Annual Residents' Survey*
- Bill Sewart Athletics Track – design
- Billabong Park Risk Management
- Blackburn South Tennis Club Court conversion
- Blackburn South Tennis Club and Bennettswood Tennis Club feasibility study
- *Box Hill Gardens Masterplan*
- Budget 2010/11
- *Bushland Reserves Fire Management Strategy* review
- City Oval South Pavilion Redevelopment
- *Climate Change Adaptation Plan*
- *Community Wellbeing Plan*
- *Community Health Service*
- Diana Drive Shopping Centre – consultation with traders
- *Domestic Animal Management Plan*
- East Burwood Velodrome engineering assessment
- Eley Park Amphitheatre upgrade
- Finalisation of the *Slater Reserve Landscape Concept Plan*
- First and second round consultation for the *Holland Gully Reserve Landscape Concept Plan*
- Heritage Assistance Fund applications
- Koonung Tennis Club water tank
- Mahoneys Reserve access ramp
- MegaMile (west) and *Blackburn Activity Centres Urban Design Framework*
- Metropolitan Transport Forum (MTF) survey as a member of the MTF
- Milne Road Shopping Centre, Mont Albert North – consultation with traders
- Monster Petition as a member of the Eastern Transport Coalition
- Mont Albert Reserve installation of floodlighting
- *Municipal Early Years Plan*
- *Municipal Youth Plan*
- Nunawading Retail Precinct
- Planning application consultation forums undertaken as required
- Planning Scheme Review
- *Play Strategy*
- pt4me2 poll as Council member of the Metropolitan Transport Forum
- Public exhibition as required under the *Planning and Environment Act (1987)* for various amendments to the *Whitehorse Planning Scheme*
- Rangeview Shopping Centre, Mitcham – consultation with traders
- Re-new Collection (trial collection of reusable household items)
- *Road Management Plan*
- *Signage Strategy*
- Springfield Road shared bicycle / pedestrian path – consultation with local residents
- Station Street, Box Hill underpass – consultation with pedestrians
- *Strathdon House Orchard and Feasibility Study and Concept Plan*
- Student accommodation / rooming house information sessions with Consumer Affairs Victoria
- Surrey Park building extension – building used by Surrey Park Model Boat Club
- Surveys at all Council events and festivals such as Spring Festival and the Whitehorse Carols Concert
- Surveys at Council facilities including Schwerkolt Cottage, the Whitehorse Centre and the Box Hill Art Space



- Various playground upgrades – consultation with local residents and those who use the playgrounds
- Traffic treatments and parking changes
- Warm Season Grass Transfer on eight sports fields – consultation with affected clubs and associations
- Wembley Park Pavilion redevelopment and associated works - consultation with association and tenant club.

Current community consultations can be found throughout the year on Council's website at www.whitehorse.vic.gov.au/Consulting-the-Community.html

Council has a number of community advisory committees that provide a more formal opportunity for community input. These committees include:

- Bicycle Advisory Committee
- City of Whitehorse Scholarship Committee
- Disability Advisory Committee
- Heritage Steering Committee
- Human Services Advisory Group
- Parkland Advisory Committees
- Reconciliation Policy and Action Plan Advisory Committee
- Visual Arts Committee.

What Our Community Thinks of Us

Whitehorse City Council uses the results from a range of surveys, including two annual surveys, that are conducted specifically to measure resident satisfaction with Council's performance. The results of the surveys are used to find areas for improvement, to help prepare the annual budget and to plan for the future.

The two main surveys used are the *Annual Residents' Survey*, conducted on Council's behalf by an independent company, and the state government's annual *Local Government Community Satisfaction Survey* commissioned by the Department of Planning and Community Development.

2009 Annual Residents' Survey

Whitehorse residents continued to be highly satisfied with the delivery of Council services, according to results of the 2009 *Annual Residents' Survey*.

Residents registered a very high approval level, with 92 per cent surveyed saying they were satisfied with the overall performance of Whitehorse City Council – a slight increase from 91 per cent recorded at the last survey in early 2009.

This is the 10th consecutive community survey where Council has received an overall community satisfaction rating of 90 per cent or above.

Council commissioned Nexus Research to conduct a community survey in November 2009. Surveys were mailed to a random selection of 1000 Whitehorse residents with 291 returned (a 29 per cent response rate), which is considered a good response and higher than the previous survey.

Of the residents surveyed, 94 per cent were satisfied with their quality of life in Whitehorse and 82 per cent were satisfied with the value for money they received from their rates.

The November 2009 survey showed significant improvements had occurred in a number of Council service delivery areas including:

- General home care up 10 per cent to 84 per cent.
- Personal care for older people up 8 per cent to 84 per cent.
- Meals for older people up 6 per cent to 87 per cent.
- Centre-based childcare up 6 per cent to 90 per cent.
- Youth services up 6 per cent to 82 per cent.

Other top performing areas were:

- Garbage collection at 96 per cent.
- Morack Public Golf Course at 96 per cent.
- Facilities and programs at Nunawading Community Centre at 95 per cent.
- Activities at the Whitehorse Centre at 94 per cent.
- Facilities and programs at Aqualink Nunawading at 94 per cent.
- Community meeting facilities at 94 per cent.
- Facilities and programs at Aqualink Box Hill at 93 per cent.
- Schwerkolt Cottage and Museum Complex at 93 per cent.
- Libraries at 93 per cent.
- Artists in Schools program at 93 per cent.

Council believes the annual community survey is an important consultation tool, with results used to identify service areas requiring improvement as well as providing input into Council's budget and financial planning.

The November 2009 survey highlighted several areas for improvement including footpath maintenance, maintenance of shopping centres, road surfaces, maintenance of parks and open spaces, traffic management in local streets and maintenance of the city's public places.

Council is committed to maintaining high satisfaction levels and improving areas such as these to ensure the best possible services are provided to residents.

Local Government Community Satisfaction Survey

Whitehorse City Council once again came top of its class in the state government's *Local Government Community Satisfaction Survey 2010*.

Council received top marks, recording the highest result for overall performance against other inner metropolitan councils participating in the survey. In addition to its own research, Whitehorse City Council participates in community satisfaction surveys coordinated by the Department of Planning and Community Development. The statewide survey, conducted by Wallis Consulting Group, has been held annually for 13 years, with Whitehorse participating in each of these surveys.

Data was collected through 350 phone interviews, with a random sample of telephone numbers from postcodes in the Whitehorse area selected. Questions related to two broad areas – governance and service delivery in nine key areas – with respondents asked to rate Council's performance on a five point scale from 'excellent' to 'needs improvement'. These then provided an indexed score ranging from a minimum of 20 to a maximum of 100.

Whitehorse achieved an indexed mean of 71 for Council's overall performance and an indexed mean of 68 for advocacy and community representation on key local issues – the highest results of all inner metropolitan councils. Whitehorse was also above the median result for other inner metropolitan councils when it comes to engagement in decision making on key local issues (indexed mean of 64); and interaction and responsiveness in dealing with the public (indexed mean of 76).

Whitehorse scored highly for overall performance in key service areas and responsibilities, with an indexed mean of 69. Key results for Council in nine service areas were all above the median results for inner metropolitan councils, with Whitehorse scoring the highest result in the areas of recreation facilities (indexed mean of 78) and town planning policy and planning approvals (indexed mean of 61).

SECTION TWO

Highlights

WBW
WHITEHORSE
BUSINESS WEEK
www.wbiz.com.au
Business and
Economic Development

Services We Delivered

Each year Whitehorse City Council provides more than 100 different services and programs for the community in areas such as aged care, children, family and youth, leisure, culture and the arts, community development, libraries, parks and open space, community festivals and events, waste and recycling, roads, drains, footpaths and other infrastructure. This section provides a summary of some of Council's services (listed alphabetically) that were provided throughout 2009/10. Complete departmental reports begin on page 47 of this Annual Report.

Arts and Cultural Services

Services Provided: A program including performing arts and functions at the Whitehorse Centre, visual art classes and room hire at the Box Hill Community Arts Centre, management of Box Hill Town Hall including the Art Space and exhibition program, museum and heritage site management, free events, markets and major festivals.

Services Delivered in 2009/10

- Box Hill Community Arts Centre: 62,586 patrons, school holiday program 2323 children; course and workshops 5011 participants; 36 exhibitions.
- Whitehorse Centre: 14,502 patrons attended Professional Theatre and Midweek Matinee Season performances.
- Events: Spring Festival – approximately 20,000 attendees; Chinese New Year – approximately 70,000 attendees.
- Whitehorse Art Space: 9299 visitors (22 per cent more than projected).
- Box Hill Town Hall: The Japan Festival – approximately 10,000 visitors; Town Hall and Hub bookings up by 16 per cent.

Business and Economic Development

Services Provided: Support business development and growth, facilitate strategic planning and policy development, encourage investment attraction and business sustainability, coordinate networking and strategic business partnerships, provide research and information and assist in the promotion of local businesses.

Services Delivered in 2009/10

- More than 1000 Whitehorse businesses registered with the online Business Directory. More than 2000 businesses registered to receive information on business services and programs.
- On average, 150 businesses attended Whitehorse Business Group business networking events.
- Ten local businesses nominated for the Whitehorse Business Awards Program.
- Whitehorse Business Week attracted audiences of over 850 business representatives.
- *KickStart your Business* attracted over 200 business representatives.
- Whitehorse Tertiary Business Skills Program included students from Deakin University and Box Hill Institute of TAFE.

Capital Works

Services Provided: Capital budget planning, Capital Works Program monitoring and reporting, asset management strategy and MAV STEP Program management and reporting, project manage capital building projects and in-house architectural design support, maintain Council buildings, regulatory compliance and facilities maintenance.

Services Delivered in 2009/10

- Completed 43 building construction projects with a combined value of $4.1 million and 25 building renewal projects with a combined value of $2.1 million.
- Responded to 3320 requests for building maintenance works.
- Undertook 5000 Essential Safety Measure inspections.

City Works

Services Provided: Maintained sealed local roads, footpaths, kerb and channel, drainage pits, underground drains, laneway clearing, shopping centres, street signs and street furniture. Provided new line marking, graffiti removal. Street sweeping, clean public barbeques and public toilets, empty street litter bins and collect dumped rubbish.

Services Delivered in 2009/10

- Made safe 8478 concrete slabs by removing trip hazards.
- Upgraded 33,912 square metres of footpath including new sections.
- Repaired 901 square metres of potholes and minor road repairs using 92 tonnes of asphalt.
- Replaced or repaired 5446 signs.
- Cleared 2657 storm water drainage pits and 26,385 lineal metres of drains.
- Responded to 2327 drainage requests, 8804 customer requests and 903 requests to collect dumped rubbish.
- Issued 75 graffiti removal kits and offered 160 litres of paint to remove graffiti.

Community Development

Services Provided: A range of initiatives to improve the wellbeing, social connectedness, capacity and strength of the community. This included social research, community profiling, policy development, strategic planning, capacity building, community strengthening, health promotion and other specific projects with an emphasis on working in partnership to develop our community.

Services Delivered in 2009/10

- Strategic coordination of over 500 Council volunteers in partnership with other service areas.
- Developed and delivered community events: Seniors Festival, Harmony Day, Volunteer Recognition Lunch, Refugee Festival (in partnership), Women's Forums, Sorry Day flag raising ceremony and Community Safety Month.
- Provided cash and discount grants to over 200 community groups.
- Resourced and supported two Council advisory committees and many community groups.
- Developed the *Whitehorse Community Wellbeing Plan*.
- Supported ten Neighbourhood and Community Houses.
- Managed and distributed two Whitehorse Scholarships.
- Participated on many committees, working groups and projects to support the development of local community groups and actions.
- Worked with 3 local housing estates.

Compliance

Services Provided: Administered a series of acts, regulations and local laws to help maintain community safety and amenity that covers animal management, school crossing supervision, parking control, fire prevention and local law administration. The department also manages Council's Risk Management Program including insurances and its Emergency Management Strategy.

Services Delivered in 2009/10

- Received approx 36,361 phone calls (an increase of 6.5 per cent over the previous year).
- Actioned 10,152 customer requests, an increase of 16 per cent.
- Answered 24,395 pieces of correspondence.
- 23,460 animal renewal notices sent.
- 973 initial information letters issued to property owners for fire hazard prevention.
- 270 Fire Hazard Notices issued directing property owners to reduce fire risk.
- 48 properties compulsorily cleared due to ignored Fire Hazard Notice.

Ecovision, Waste and Recycling

Services Provided: Collected garbage, recycling and garden organic bins and hard waste collections. Home composting incentive program. Provided support for community sustainability practices.

Services Delivered in 2009/10

- Collected 19,281 tonnes of recyclable materials: 10,990 tonnes of paper, cardboard and liquid paperboard; 4723 tonnes of glass; 1424 tonnes of plastics; 96 tonnes of aluminium; and 424 tonnes of steel cans, 4678 mattresses from the hard waste collection.
- Facilitated the Sustainability Street community program in four geographic hubs.
- Provided training to 21 residents through the Sustainable Ambassadors program including a program for the Chinese speaking community.
- Provided financial rebates to households for installations of 47 solar hot water systems, 328 solar panels, 203 water tanks and 5 greywater installations.
- Assisted 172 Whitehorse residents to obtain discounted solar power installations for their homes through the Solar Suburbs program.

- Developed and implemented Sustainable Living Week with 15 community events that addressed topical and practical issues on how to live more sustainably.
- Developed and conducted community forums and workshops covering issues such as energy-saving measures in homes and businesses, GreenPower, greywater, Water Wise Gardening and Yummy Yards.
- Implemented a light globe recycling program by setting up recycling bins/boxes across the municipality.
- Conducted a one-off trial kerbside collection, sorting and distribution service to recycle unwanted but reusable household items. 82 tonnes of items including textiles, household goods, books, small appliances, printer cartridges and toys were collected from nearly 6000 households, averaging 14 kilograms per bin.

Engineering

Services Provided: Periodic maintenance and upgrades of local roads and drains, provision of streetlighting, road safety programs, traffic management and sustainable transport.

Services Delivered in 2009/10

- Resurfaced and reconstructed 133,800 square metres of local roads.
- Rehabilitated and constructed 820 metres of stormwater drains.
- Supported a Walking School Bus at 9 schools.
- Placed Council's 6 speed observation trailers in 260 locations throughout the city.
- Road safety programs delivered to all sectors of the community, including early childhood, school students, elderly and businesses.
- Purchased 100 per cent of streetlighting electricity as accredited GreenPower in 2009/10, an increase from 52.5 per cent GreenPower in 2008/09.

Health and Family Services

Services Provided: Maternal and child health, home-based and centre-based childcare, youth and family support, food safety monitoring, infection control, immunisation programs and pre-school support.

Services Delivered in 2009/10

- 5000 casual contacts and 1000 individual support clients supported by Council's Youth services team.
- Supported 7200 families during the year, including 1885 new mothers and their babies.
- 31,700 Maternal and Child Health consultations.
- 1265 families supported by Council's child care services.
- 200 families with special needs children and 109 Commonwealth funded childcare services supported by Council's Inclusion Support Program.
- 1500 food safety assessments.
- 19,000 vaccinations to infants, school aged children and adults.
- 300 health assessments of businesses registered under the *Public Health and Wellbeing Act (2008)*.

Home and Community Care

Services Provided: In-home and community-based services for frail older persons, people with a disability and their carers including meals, home care, personal care, respite care, home maintenance, transport services and social support programs and activities.

Services Delivered in 2009/10

- 132,000 meals were delivered to 2202 residents.
- 136,304 hours of Home Support services including domestic, personal and respite care services provided to 3913 residents.
- 46,211 hours of Social Support groups and planned activity groups held.
- 6521 hours of Home Maintenance provided to 1919 residents.
- 12,648 journeys were provided to residents through Council's Assisted Transport service for a range of reasons including shopping and attending medical appointments.

Leisure Facilities

Services Provided: Leisure and recreation activities through five facilities: Aqualink Nunawading, Aqualink Box Hill, Morack Public Golf Course, Nunawading Community Centre and Sportlink Vermont South.

Services Delivered in 2009/10

- 594,948 attendances at Aqualink Nunawading.
- 655,777 attendances at Aqualink Box Hill.
- 98,464 golfers played at Morack Public Golf Course.
- Approximately 85,000 attendances at Nunawading Community Centre.
- Approximately 230,000 attendances at Sportlink Vermont South.

Library Services

Services Provided: Provided library facilities through four locations: Blackburn, Box Hill, Nunawading and Vermont South. Provided access to print and electronic resources and programs, website and outreach service.

Services Delivered in 2009/10

- Open 194 hours per week.
- 1,714,717 items borrowed.
- 777,542 visits to libraries.
- 63,173 program attendances.
- 68,630 reference enquiries.
- 58,605 internet bookings.
- Programs and activities including author talks, book circles, early literacy and children's programs
- Collections include youth, adult, recreation, reference, audio visual, community languages, magazines and newspapers.
- Trained staff to assist with library customers' information requests.
- Community information.
- Technology including internet and online resources.
- Study and recreational reading areas.
- Community and training spaces.

Parks Planning And Recreation

Services Provided: Planned and developed policy for the sustainable management of open space, bushland reserves, parks, gardens, sports fields, sporting pavilions, playgrounds, off road trails and related infrastructure. Worked in collaboration with various stakeholders including advisory committees, sporting clubs, sporting associations, community groups, residents, state government and government authorities.

Services Delivered in 2009/10

- Planning for over 590 hectares of open space (over 300 parks) owned and managed by Council.
- Support to over 120 sports and recreation clubs and approximately 14 parkland advisory committees.

ParksWide

Services Provided: Maintained open space, parks, gardens, recreation reserves, horticultural assets. Maintained and enhanced remnant bushland reserves, managed and maintained street and park trees, general parks and gardens maintenance and horticultural services. ParksWide also managed Council's nursery, sports fields as well as maintaining playgrounds and other items of open space infrastructure.

Services Delivered in 2009/10

- 1822 trees planted of which 912 were street trees. Of all trees planted, 944 were indigenous, 606 native and 272 exotic.
- 11 indigenous corridors upgraded.
- 4.2 million litres of recycled water used to establish street trees and water Box Hill City Oval.
- Approximately 36,000 street trees pruned and 3056 pruning requests completed.
- 45,790 nursery plants sold.
- Donated in excess of 2000 plants worth in excess of $5100 to local schools and community groups.
- 506 street trees grown for planting.
- 115 Council parks and gardens upgraded.
- Planted 36,368 indigenous plants.
- More than 22,000 indigenous grasses planted, 5000 ground covers planted and 4500 shrubs planted.
- 30m3 of recycled potting mix generated and donated to Green Link Nursery.

Planning and Building Services

Services Provided: Strategic land use planning and advice, planning scheme amendments, assessing planning permit applications and issuing building permits.

Services Delivered in 2009/10

- Processed more than 1000 planning applications (including amendments).
- Answered 44,237 planning and building phone calls.
- Received and responded to 8474 service requests.
- Issued 275 building permits, 505 siting report and consent applications, 546 building enforcement actions and 403 consents granted.
- Processed more than 956 planning applications.

Property and Rates

Services Provided: Managed property valuations, Council leases, digital mapping services and collected rates. Provided advice on all property matters including discontinued roadways, leasing and property purchases and dispositions.

Services Delivered in 2009/10

- Completed the 2010 municipal revaluation on approximately 66,000 rateable properties.
- Completed 2100 supplementary valuations.
- Collected 98 per cent of all rates levied by Council.

Recycling and Waste Centre

Services Provided: A safe and clean facility to dispose of waste and recyclable materials.

Services Delivered in 2009/10

- 47,389 tonnes was carted to landfill.
- Recycled 2520 batteries, 1896 mattresses, 294 tyres, 464 Litres of used engine oil, 1.1 tonnes of aluminium cans, 898 tonnes of clean cardboard and paper, 1017 tonnes of scrap metal and 34 tonnes of glass.
- 2397 tonnes of clean concrete were separated and carted off site.
- 9794 tonnes of clean green waste separated, chipped and carted off site by Barkking.

Urban Design

Services Provided: Designed, coordinated and supervised shopping centre and playground improvements. Provided landscape and urban design advice across all of Council's functions.

Services Delivered in 2009/10

- Upgraded 5 shopping centres: Milne Road Shopping Centre and Diana Drive Shopping Centre and sections of Rangeview Shopping Centre, Wattle Park Shopping Centre and Blackburn Station Village.
- Redeveloped a section of the MegaMile retail precinct in Nunawading.
- Provided 174 playgrounds and upgraded five.
- Completed a municipal signage strategy for a pilot program to be tested.
- Developed an urban design plan for the Nunawading Retail Precinct in Nunawading.
- Installed festive season decorations along main roads and in various retail precincts.
- Facilitated the *Building a Better City Urban Design Awards*.

Major Projects

Whitehorse City Council was able to deliver a significant number of major works across the municipality despite the impact from the global financial crisis. Council's long-term financial plan ensured Whitehorse was able to continue it's major capital works program.

Some of Council's major projects for the 2009/10 year include:

- City Oval South Pavilion upgrade.
- Increased Sustainability Projects.
- Wembley Park redevelopment.
- Upgrade and install footpaths across the municipality.

City Oval South Pavilion Upgrade

Box Hill City Oval is located at the corner of Middleborough and Whitehorse Roads, Box Hill and is considered one of the premier sporting facilities within the City of Whitehorse. Following an extensive planning phase, works to build a second storey extension on top of the existing southern pavilion commenced in late 2008 and were completed in August 2009. The existing single storey building, which was constructed in 2002, accommodates the Box Hill Hawks Football Club and includes an administration area, player change rooms, showers, toilets, a gymnasium, warm up area, physiotherapy and doctor's room. The existing pavilion was designed to accommodate a second storey but due to funding limitations at the time, only the ground level of the building was constructed.

The upper storey extension covers an area of approximately 520 square metres and includes two multipurpose spaces, a commercial grade kitchen, balcony seating overlooking the oval, reception area and amenities facilitating activities of the Box Hill Football Club and the local community. The upgraded facility with entry from Whitehorse Road creates a much improved venue suitable for a range of sporting, social and community purposes.

The $1.7 million upgrade cost was funded jointly by Council, the state government, the Victorian Football League and the Box Hill Hawks Football Club.

Increased Sustainability Projects

Sustainability projects delivered in the 09/10 year include: water tanks installed at Slater Reserve, solar panels installed at Blackburn Lake Sanctuary, Box Hill Town Hall and Box Hill Central Median, Whitehorse Civic Centre and an upgrade of the Recycling and Waste Centre. More information on sustainability projects can be found on page 31.

Wembley Park Redevelopment Project

Wembley Park is one of the municipality's prime sports precincts and is situated west of the Middleborough Road and Canterbury Road intersection in Box Hill South.

Following the awarding of a Commonwealth Government grant of $2.31 million, works to refurbish and upgrade facilities on the site commenced in September 2009 with a planned completion date of October 2010. The redevelopment embraces the entire site and will culminate with the commissioning of modern sporting infrastructure designed to satisfy the requirements of a "Class A" soccer venue.

The package of works includes the complete refurbishment of the existing grandstand and associated change rooms below, constructing a new second pavilion with multiple change rooms and wet areas, demolishing the two old toilet blocks and replacing them with toilets that are compliant with the *Disability Discrimination Act (1992)*. Upgrading and extending the existing car park with new lighting, new perimeter and soccer pitch fencing and new signage befitting a premier facility.

A number of sustainable design initiatives are being incorporated into the project including water tanks to harvest and reuse roof water, energy efficient lighting and a solar panel array to offset energy usage at the site.

At the end of June 2010 the works were approximately 75 per cent compete and are expected to cost $2.4 million when fully completed.

Footpath Upgrade Program

Council's footpath upgrade program is aimed at removing hazards and potential hazards from areas of footpath identified as requiring attention following detailed inspections of the footpath network.

Areas where the path has lifted significantly, are badly cracked, have poor shape, have had previous grinding carried out and where the surface has deteriorated significantly are prioritised for replacement under this program. Approximately 33,912 square metres of footpath was upgraded in 2009/10 at a total cost of $1.85 million.

Stage 2 of the Mitcham Road footpath rehabilitation program involved the removal and replacement of the old damaged footpath on the east side of Mitcham Road from Agra Street to Simpson Street, Mitcham and was completed at a cost of $80,000.

Major Capital Works

Whitehorse City Council budgeted for a Capital Works Program in 2009/10 of $23.72 million on a broad range of projects for the community.

Below is a breakdown of the Capital Works Program in the Budget 2009/10:

$6.7 million for Community Facilities/Buildings

Key features

- $2.5 million for Sport and Recreation Facility Improvements
- $500,000 to the Wembley Park main pavilion upgrade.
- $235,000 for improvement works at Aqualink Nunawading.
- $76,000 for refurbishment and mechanical plant upgrades at Aqualink Box Hill.

$1.0 million for Upgraded Community Centres

- $350,000 upgrade and refurbish Blackburn South Hall.

$6.2 million for Roads, Footpaths and Traffic Management Improvements

Key features

- $2.9 million for upgrading and resurfacing of local roads.
- $1.7 million for new and improved footpaths across Whitehorse.
- $280,000 for traffic management and road safety improvements.
- $590,000 for bike paths.

$2.0 million for Parks, Sports Fields and Playgrounds

Key features

- $785,000 for upgrades to sports fields.
- $806,000 for improvements to parklands including $130,000 refurbishment to Surrey Dive Boardwalk.

$1.2 million for Urban Improvements

Key features

- Refurbish Box Hill Business District and improvements to shopping centres including Blackburn Station Village and the Mega Mile.

$1.0 million for Drainage Improvements

$0.3 MILLION FOR STREET TREES

- Continue the Street Tree Planting Program in line with Council's Street Tree Policy.

Sustainability Initiatives

Whitehorse City Council recognises the importance of taking local action to ensure we live in an environmentally sustainable community and takes active steps to reduce our contribution to climate change. Council has identified ways to minimise the impacts already being experienced by climate change and in the 2009/10 financial year, Council commenced work on the *Climate Change Adaptation Plan*. This plan will build on the strategies outlined in the *Whitehorse Sustainability Strategy 2008 – 2013: Our EcoVision* which outlines Council's sustainability agenda for the five-year period.

The following services and programs were delivered by Council in the 2009/10 financial year in line with the *Whitehorse Sustainability Strategy 2008 – 2013: Our EcoVision*.

Note: Sustainable Business and Sustainable Communities are combined under Education and Community Engagement below.

Climate Change, Greenhouse and Energy

- Increased purchase of GreenPower for streetlighting to 100 per cent.
- Completed the Living Green with LESS program which offered free energy-efficient light globe and water-saving showerhead installations to residents. 37,872 light globes and 548 showerheads were exchanged.
- Facilitated the Solar Suburbs Program, assisting 172 residents to obtain discounted solar power installations.
- Provided 47 financial rebates for solar hot water systems and 328 for solar photovoltaic panels to residential homes.
- Supported the Community Power Program to provide residents with information about and access to GreenPower. Through the program, Council provided 13 financial incentives for residents to take up GreenPower.
- Invested $50,000 to incorporate sustainable energy initiatives in Council buildings.
- Invested $100,000 to install solar power generation at Blackburn Lake Sanctuary Visitor Centre and Box Hill Town Hall with a combined total to produce 11 kilowatt hours per day.
- Solar hot water units were installed as part of the South Blackburn Community Hall refurbishment.
- Sustainable initiatives implemented into the Surrey Park amenities upgrade works where possible. This included the integration of energy efficient appliances and the use of water conservation fixtures.
- Introduced solar powered parking meters in Box Hill.
- Continued implementation of virtualisation and storage area network infrastructure with the aim of reducing energy usage, lowering cooling costs and providing a greater return on investment.
- Increased Council staff usage of Metcards for business-related travel to encourage the use of public transport.
- Completed the TravelSmart program and Local Area Access Program (Burwood Highway Route 75), with 4 major organisations in the Tally Ho Business Precinct. The program encouraged staff to select sustainable modes of transport when travelling to and from work, as well as for work travel.
- Introduced a car pooling system for staff at the Tally Ho Business Park.
- Implementation of the Walking School Bus within nine Whitehorse primary schools.
- Hosted sustainable transport events such as Walk to School Day, Ride to School Day, Whitehorse Spring Festival, the Great Transport Challenge and bike maintenance courses.

Water Conservation and Quality

- Provided 203 financial rebates for the purchase and installation of water tanks and five for greywater systems in homes.
- Invested $100,000 in sustainable water initiatives in Council buildings.
- Plumbing upgrades at several sites to fit water saving devices in showers, toilets and hand basins. This included Bill Sewart Athletics track amenities with estimated water savings in the range of 670,000 litres per annum which is approximately half the usage prior to works.
- Rainwater harvesting tanks installed at Slater Reserve with a combined storage capacity of 200,000 litres. Harvested rain water will be used to irrigate the adjoining community gardens and to flush toilets in the Slater Reserve indoor sports stadium.
- Installed rainwater tanks at the Whitehorse Club, East Burwood and Mont Albert Reserve.
- Installed 10,000 litre water tank at Blackburn South Hall.
- Use of recycled water for sports fields and street tree watering.
- High pressure wash of township centres using recycled water.
- Use of soaker, a recycled product to soak up and clean up oil and fuel spills, preventing it from washing into the storm water drainage and river systems.
- Use of recycled water for street sweeping and drainage jet pressure machine.

- Installed two 5,000 litre tanks to collect water from the Kerrimuir Neighbourhood House roof.
- Designed and constructed four raingardens in conjunction with Melbourne Water in the retail precinct of Blackburn Station Village (Blackburn) to showcase water sensitive urban design in a streetscape setting.
- As part of the Warm Season Grass Transfer Program, sports fields have been replaced with drought resistant grasses this financial year.
- Used recycled water for high pressure wash of township centres.
- Undertook dry concrete grinding of raised footpath slabs as opposed to wet grinding.
- Used recycled water for street sweeping and drainage jet pressure machine.
- Advocated for community funding grants to install water tanks into Neighbourhood and Community Houses.

Resource Efficiency, Waste and Recycling

- Increased diversion of waste from landfill from previous years and increased garden organics service.
- Council continued to introduce or increase sustainable waste management practices for all its major festivals.
- Used recycled materials and products in works programs such as refurbishing existing pieces of equipment installed on streets rather than buying new equipment.

Our Natural Environment

- Replaced annual floral displays in Council's gardens with drought-tolerant perennials.
- Sustainable landscape design integrated into the design and construction of public spaces, particularly water sensitive urban design.
- Continuation of removal of environmental weed species from Wren Close Reserve, Nunawading.
- Began removal of environmental weed species from Charles Rooks Reserve and Dagola Reserve, Nunawading.

Buildings, Infrastructure and Planning

- Developed local Environmentally Sustainable Design Policy to encourage sustainable development in the municipality.
- Engaged Grojan Consultants to undertake a long-term Sustainable Management and Development Plan for Whitehorse sporting grounds and associated facilities, regarding the sustainability of sports fields across the municipality.

Education and Community Engagement

- Developed and implemented the innovative Sustainable Ambassadors program for the Chinese speaking community including, resource efficiency workshops and behaviour change training to implement community projects.
- Expanded the Sustainability Street program including the do-it-yourself model and train-the-mentor program. There are four Sustainability Street Groups in Whitehorse – Blackburn, Box Hill, Mitcham and Vermont South.
- Recognised local businesses, homes, community groups and schools for their ongoing sustainability achievements as part of Council's annual Sustainability Awards.
- Recognised high achieving sustainable design of building through Council's *Building a Better City Design Awards*.
- Commenced garden programs with the children at some of the long day care centres. A number of centres are endeavouring to grow vegetables that can be used by the centre cooks in the preparation of the children's meals.

SUSTAINABILITY ST.
IT'S A VILLAGE OUT THERE

Sustainability Policy, Leadership and Reporting

- Through the contract and tendering process, contractors with sustainable initiatives are preferred across Council's operations.
- Council's continued commitment to report on its annual green spend as a member of ECO-Buy. Council spent approximately 10 per cent of its annual budget on recycled content products.
- Continued implementation of Council's Greener Office Program, including the use of FairTrade products.
- Engagement of Council staff to become EcoLeaders and implement sustainability projects across Council. Projects included FairTrade Day, *Switch Off!* Energy Campaign and staff car pooling initiative.
- Continued implementation of paperless e-learning programs for various training programs.
- Increased eNews distribution to promote Council's activities.
- Exploration of greater utilisation of online job applications.
- Greater utilisation of electronic document management system for job files.
- Implemented a new Council letterhead produced from 100 per cent recycled paper, using 100 per cent renewable energy, waterless printer using vegetable oil based inks.
- Introduced 100 per cent recycled paper envelopes for the majority of Council's business sized envelopes.
- 100 per cent recycled toilet paper used exclusively in all staff toilet blocks at the Whitehorse Civic Centre.
- Continued producing publications in 100 per cent recycled paper using 100 per cent renewable energy and preferring waterless printer, using vegetable oil based inks.
- Introducing whole of organisation business cards produced from 100 per cent recycled paper.

Financial Sustainability of Council

Council adopted a rate revenue increase for the 2010/11 financial year which allowed Whitehorse to continue to provide quality services and facilities that meet the growing needs of the community. The increase was in line with the Long-Term Financial Plan. The plan provides a practical and fiscally responsible policy position taken by Council to ensure that Whitehorse is able to deliver quality services and capital works that will meet the needs of its diverse community for many years to come and fulfil Council's requirements set by the Victorian Auditor General's Office.

The key elements to ensuring Council's financial sustainability are stable rate increases, progress towards achieving an underlying operating surplus and a priority on renewal capital works.

Council's Long-Term Financial Plan for the years 2009/10 to 2012/13 has the objective of moving from an operating deficit to an operating surplus while maintaining an increase in the renewal Capital Works Program. For 2009/10, Council achieved an underlying surplus of $1.8m which is a positive step towards achieving our financial sustainability objectives.

In 2009/10 Council's spending on capital renewal increased from $17.9m in 2008/09 to $19.9m. The renewal gap ratio, a financial sustainability measure which compares renewal expenditure with depreciation, increased from 0.86:1 in 2008/09 to 0.99:1 in 2009/10. This indicates that Council is spending on renewing, restoring and replacing existing assets at almost the same rate as assets are depreciating.

Advocating for the Community

Whitehorse City Council regularly lobbies the state and federal governments to secure funding for projects which have been identified as key priorities by the local community. These key priorities are determined by Council through various public consultation methods.
The information gathered assists Council in understanding the community's view on proposals, find out how widespread a particular concern is, plan for the future needs of the municipality and make decisions that are fair to the whole community.

Based on the input from this year's community feedback, Council continued to lead major advocacy campaigns to attract state and federal government support and funding for improved services and infrastructure.

Some of the major campaigns Council has been involved in over the past 12 months are:

- The Springvale Road Rail Grade Separation and new Nunawading rail station.
- The MAV *Give Our Streets the Green Light* campaign, advocating for energy efficient street lights.
- Public Transport issues through membership of the Eastern Transport Coalition and Metropolitan Transport Forum.
- Advocacy regarding the state government's increase in the landfill levy.
- Upgrading the Box Hill Transport Interchange.

Springvale Road Rail Grade Separation and Nunawading Railway Station

The Springvale Road railway level crossing was one of the busiest in Melbourne. More than 50,000 vehicles, 218 trains and around 5000 pedestrians shared the same road space every day at this location.

Whitehorse City Council lobbied both state and federal governments for many years to remove the rail crossing at Springvale Road in Nunawading and replace it with a safer solution. Council was very pleased to have been successful in this advocacy with both the state and federal government contributing sufficient funds to complete this important project.

During construction, Council continued to work closely with the state government as it built the new station, lowered the rail tracks and completed the underpass. Council assisted the Springvale Road Rail Alliance (SRRA) to ensure the local community was kept informed through the construction phase and assisted in resolving construction issues associated with Council infrastructure. Council worked closely with the SRRA to make sure local residents and businesses were aware of changed traffic conditions and proposed works throughout the project to minimise impacts during the construction phase.

Council was proud to see the opening of the new Nunawading Railway Station in January 2010, which includes an underground rail track below Springvale Road, new station facilities and safer and more reliable travel for train passengers, drivers and pedestrians.

Give Our Streets the Green Light campaign

Whitehorse City Council continues to be actively involved in the Municipal Association of Victoria's (MAV) *Give Our Streets the Green Light* campaign throughout 2010. This campaign aims to secure funding from state and federal governments to help councils with the high, upfront cost of switching old energy-wasting streetlights to new energy-efficient alternatives. Making this change will not only reduce Council's costs to run street lights but will help to make significant reductions in Council's carbon emissions.

Public Transport

Council continues to lobby state and federal governments to improve public transport services and infrastructure across the municipality. Council is an active member of the Eastern Transport Coalition and the Metropolitan Transport Forum – both of which have continued to conduct campaigns to make sure that public transport stays at the forefront of thinking for all levels of government.

One of Council's highest priorities for public transport infrastructure is the Box Hill Transport Interchange. Upgrading this important public infrastructure will continue to be the focus of Council advocacy to state and federal governments until significant funding commitments are made.

Meeting Our Strategic Objectives

Whitehorse City Council had four strategic objectives set out in the *Council Plan 2009-2013*. Following are examples of how Council met each of these objectives in the 2009/10 financial year.

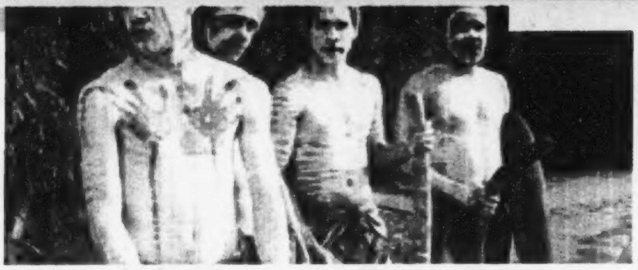
1. Serve and strengthen our diverse community to be inclusive, vibrant and engaged.

Strategies	**Examples of how we met this objective**
Increase community participation and engagement.	• On average 10 per cent increase on 2008/09 in participation at Council's major community events. • The *Box Hill Gardens Masterplan*. • Conducted the annual National Tree Planting Day. • Continued with the education program at Blackburn Lake Sanctuary. • Held the annual Parkland Forum with Parkland Advisory Committees. • Continued with on site walk throughs of Council's bushland parks in partnership with Parkland Advisory Committees in regards to tree assessments of bushland sites. • Supported Parkland Advisory Committees in working bee activities through the provision of advice, weed control support, mulch deliveries, rubbish removal and other practical aids. • Consulted with residents regarding Council's tree planting program and the planting of new trees. • The *Domestic Animal Management Plan* Year 2 initiatives actively engaged with the community through a number of mediums including direct mail out, newspaper articles and web promotion. • The Laburnum Flash Flood Warning System is a pilot case to assist residents in flood prone areas to prepare and respond to flood events near their home. The pilot, a partnership between Whitehorse City Council, Melbourne Water and Victorian State Emergency Service, provides for an escalation of warnings as the potential risk of flood increase. • Successful delivery of Sustainable Ambassadors program with 18 participants amongst Whitehorse's culturally and linguistically diverse group. • Successful delivery of Sustainability Street program with 4 groups in Blackburn, Box Hill, Vermont South and newly created 'Do It Yourself' group in Mitcham. • The *Whitehorse Community Wellbeing Plan* was developed in consultation with the Whitehorse community. Engagement activities focused on more than 65,000 surveys being distributed to every rateable property in Whitehorse with more than 2000 responses received in regard to the health and wellbeing priorities of the community. • The *Whitehorse Volunteer and Civic Participation Strategy* was developed with strong community input. Engagement activities focused on organisations in Whitehorse that utilise volunteers, actual volunteers and potential volunteers. • Council facilitates two Advisory Committees (Disability and Reconciliation) that encourage participation from people with a disability and the Indigenous community in Whitehorse. The purpose of both of these Committees is to then encourage further engagement with the specific focus areas and the broader community. • Council participates in and provides a secretariat function to the Whitehorse Interfaith Network which encourages participation from diverse faith communities in Whitehorse. This group meets regularly during the year and seeks to encourage further participation from diverse faiths.

Strategies	Examples of how we met this objective
Plan and partner with key stakeholders to strengthen our community.	• The successful partnership between the Asian Business Association of Whitehorse and Whitehorse City Council in delivering a 70,000 strong Chinese New Year Celebration in Box Hill Central. • Successful completion of Route 75 - Burwood Highway Travel Smart and Local Area Access Program with key stakeholders, Hewlett Packard, VicRoads, Country Fire Authority and World Vision. • Regular meetings with community groups and stakeholders to plan, develop and implement road safety education programs. • Implementation of road safety programs to improve the health and wellbeing of our community such as Child Restraint Clinics • Completion of art school program where students have developed storybooks and posters about community road safety issues. • Council is an active participant of the inner East Primary Care Partnership which is a network of more than 80 organisations in the inner east and whose primary focus is to come together to develop partnership opportunities that will positively impact on the health and wellbeing of the community. • Council convenes a regular network meeting with representatives of the 10 Neighbourhood and Community Houses in Whitehorse, which seeks to work towards strengthening the community and access to community houses. • Council has established a volunteer network to work with and strengthen relationships with organisations that run volunteer programs. This network seeks to increase the number and diversity of volunteers across the city.
Deliver quality services for the wellbeing, amenity and development of our community.	• Council's established Aqualink Box Hill, Aqualink Nunawading, Nunawading Community Centre and Morack Golf Course continued to provide quality leisure services that received consistent high level performance evaluation from internal and external sources. Sportlink Vermont South is in its second year of operation and has surpassed targets for participation numbers and court occupancy.
Recognise and celebrate the diversity of our community.	• Major community events occurred throughout the year in Whitehorse culminating in around 150,000 people participating in the Spring Festival, Carols, Australia Day, Summer Music series and the Chinese New Year Festival. These events celebrated the artistic and cultural expression of the diverse and talented Whitehorse community. The success and the popularity of the Whitehorse Centre continues with record audience attendances. • Specific community events were held in Whitehorse that had a diversity focus. A Harmony Day event was held at Box Hill Gardens as part of the Whitehorse Summer Music Series and an art-focused event was held at the Box Hill Community Arts Centre.
Facilitate and encourage community participation in artistic and cultural life.	• As part of Council's Spring Festival, an event was held in Council's Indigenous Garden (the Nagnak Garden) to raise awareness of and celebrate Indigenous culture in Whitehorse.
Advocate on behalf of our community on critical local issues.	• Active advocacy on a range of transport related issues through membership of the Eastern Transport Coalition and Metropolitan Transport Forum. (for example, the Eastern Transport Coalition Monster Petition and Metropolitan Transport Forum - pt4me2 poll). • Advocacy to the state government regarding the landfill levy increase. • Participated in the Energy Efficient Street Lights, MAV Give our Streets the Green Light campaign. • Advocacy to state government to upgrade Box Hill Transport Interchange. • Responded to Victorian Government Climate Change Green Paper. • Advocated to the state and federal governments in regard to impacts on local communities of the Health Reform Agenda.

2. Promote, protect, enhance and respect the quality of our natural and built environments.

Strategies	Examples of how we met this objective
Embed sustainability practice and principles in planning and development.	• A Planning Scheme amendment has been prepared and submitted to the Minister for Planning seeking authorisation to publicly exhibit the introduction of an Environmentally Sustainable Development Local Planning Policy in the Whitehorse Planning Scheme. • Continued requirement under planning permits for larger developments to be environmentally sustainable. • Continued lobbying the state government for a major upgrade of the Box Hill Transport Interchange. • Continued promotion of sustainable design with developers and designers. • Introduction of a Public Open Space Contribution into the Whitehorse Planning Scheme in February 2010, with the *Whitehorse Open Space Strategy* now a reference document in the Planning Scheme. • Successful negotiation with developers for public open space contributions in the form of land, including at 333 Burwood Highway, Burwood and 15 Virgillia Street, Blackburn North.
Strengthen and contribute to an integrated transport system.	• Completed the Burwood Highway TravelSmart program to encourage sustainable transport options. Implemented school and community sustainable transport programs such as Transit, Walking School Bus and the development of TravelSmart maps.
Protect, enhance and appropriately develop open space for current and future generations.	• Completion of *Slater Reserve Landscape Concept Plan*, new open space acquired in Forest Hill and Mont Albert, development of a key report to Council on future open space acquisition. Improvements to open space including; tree planting, implementation of concept plans at Wren Close, Charles Rook/Dagola and Slater Reserve, construction of a pedestrian bridge at Furness Park, new water tanks for community gardens at Slater Reserve. Progress in the development of concept plans and master plans for Holland Gully Reserve and Box Hill Gardens.
Pursue consistent design principles of excellence in our current and future built environment.	• Consistent application of planning policy, as it relates to design and the built environment.
Enhance our leadership role in the education and awareness of environmental practices in our community.	• The Whitehorse Sustainability Awards are a celebration of the achievements of members of the community. The awards reward and recognise local residents, schools, community groups and business for their efforts in building socially-connected communities and leading sustainable lifestyles. This year's award winners were announced on 22 April 2010 at the Box Hill Community Arts Centre with more than 170 attendees. The Master of Ceremonies for the evening was Channel 9 personality and Olympic gold medallist Giaan Rooney.
Maintain and enhance Council's physical assets for long-term sustainability, safety and public amenity.	• Commenced implementation of a corporate asset management system which will be used to plan maintenance and capital upgrade programs for all of Council's assets. • Resurfaced and reconstructed 133,800 square metres of local roads that included the use of sustainable alternatives to hot mix asphalt. Rehabilitated and constructed 820 metres of stormwater drains. • Upgraded and constructed new bicycle and pedestrian paths. The major projects completed included the Blackburn North to South bicycle route and the upgrade of the Gardiners Creek Trail at Burwood Highway. • Installed 3 kilowatt grid connected solar photovoltaic system at Blackburn Lake Visitors Centre and 5 kilowatt grid connected solar photovoltaic system at Box Hill Town Hall.



3. Deliver organisational excellence, visionary leadership and strong governance, through dedicated people, to ensure the best possible contribution to our community.

Strategies	Examples of how we met this objective
Continue to develop inspirational leadership based on openness, accountability and transparency.	• Recent staff survey results indicate a high level of satisfaction (80 per cent) with supervisors, people managers or coordinators. In particular staff ranked their top two 'very satisfied' criteria as relationship with manager/supervisor (42 per cent) and my manager recognises and encourages ideas and contribution (40 per cent).
Provide responsible management of Council's financial and other resources.	• Council budget prepared in line with Long-Term Financial Plan. • Achievement of a modest underlying operating surplus. • Steady improvement in the Victorian Auditor General's Office 5 financial sustainability ratings. • Completed installation of IT Disaster Recovery Infrastructure. • Commenced stage 1 of Integrated Asset Management system implementation. • Participated in the establishment of the Essential Services Commission local government performance monitoring project. • Made a submission to the Audit Committees – A Guide to Good Practice for Local Government issued by Local Government Victoria.
Develop and continue to build an organisational culture that is inclusive, collaborative and strives for excellence.	• Recent staff survey results reveal 85 per cent of employees are satisfied or very satisfied working for Whitehorse City Council. Strong results on the survey were also achieved on organisational values (81 per cent satisfaction), a fair and equitable workplace (81 per cent), Council's reputation (82 per cent satisfaction), clear understanding of work objectives (89 per centsatisfaction) and challenging and meaningful work (81 per cent satisfaction) which all contribute to an organisational culture that is inclusive, collaborative and strives for excellence.
Ensure our governance framework, values and performance parameters are understood, shared and core to our everyday actions.	• Internal audit Program which included: • Whistleblower policies and procedures • Tendering and contract management. • Management of leisure centres • Open space maintenance • Introduction of a Conflict of Interest policy and associated employee training awareness program. • Reviewed organisational delegation and authorisations. • Conducted Freedom of Information training and awareness. • Completed a *Local Government Act (1989)* legislative compliance review.
Provide a comprehensive professional and personal development program so everyone's contribution is valuable.	• Council provides a comprehensive calendar of training and development events throughout the year to meet professional development objectives, compliance training objectives, technical skill improvement and personal development. In addition staff are encouraged to attend networking and conference functions that further their personal and professional development for the benefit of Council.
Continue to improve how we communicate, serve and connect with our community.	• Continuing to upgrade the organisation's recently redeveloped website. • Introduction of an organisational Writing Style Guide. • Monitoring that all Council publications are delivered in a timely and effective manner. • Providing information sheets on newly introduced and existing initiatives, policies and services. • Advertising regularly Council's available services and activities in locally distributed publications. • Introducing a customer service Communication Accountability Responsiveness Empathy Solution (CARES) program.

4. Support a prosperous, diverse and healthy local economy that contributes to the wellbeing of our community.

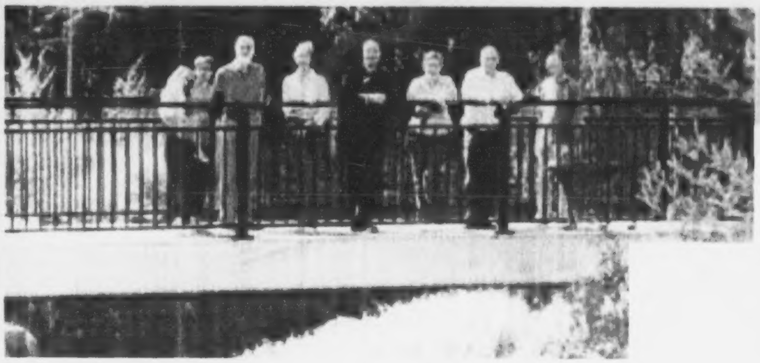
Strategies	Examples of how we met this objective
Encourage local financially sustainable business excellence by strengthening our support role.	• KickStart Your Business program: 15 – 19 March 2010: Series of Workshops and Seminars on topics including: Marketing, Grants and Tenders, Starting your Business and Risk Management. • Tax Seminars held in April 2010 Tax Basics and Record Keeping. • Whitehorse Business Awards Program: 5 Business events and Gala Awards Dinner – 10 Businesses nominated for events. Program managed by the Whitehorse Business Group
Support a live local, work local, shop local campaign.	• Think Local Buy Local campaign run, September – December 2009, encourages local residents to shop locally. $5000 worth of prizes made available to shoppers. • Promotion of local shopping precincts on Council's business website www.wbiz.com.au • Business Directory: 1000 Directory listings/2000 Directory participants seeking business information. Directory provides information on local businesses and relative products and services available.
Ensure that infrastructure is designed and accessible for all the community including local business.	• All new Council buildings and building extensions are fully compliant with the Disability Discrimination Act 1992 provisions of the Building Code. • Work with businesses and relevant Council departments in encouraging, developing and maintaining suitable infrastructure projects that engage businesses and the local community. • Promoting accessibility through the Wheelchair Re-charge scheme to local businesses.
Strengthen Council's connection with local business owners and their employees.	• Networking opportunities through Council programs: KickStart Your Business program 2010, Whitehorse Business Group Business Events, Whitehorse Business Week - August 2009. Other business development workshops and seminars run by Council. • Mentoring opportunities for local businesses and managers in Marketing and Business Planning. Bi-monthly free mentoring sessions held at Council.
Develop partnerships with government, business and educational institutions.	• Council works closely with Business Victoria and other government departments to ensure that all government business programs and services are accessible to local businesses. • Whitehorse Tertiary Business Skills Program 2010. Students from Deakin University and Box Hill Institute of TAFE participated in the program, which runs from May to October.
Support the opportunities for local business collaboration and resource sharing.	• Council provides a range of networking opportunities to local businesses to work together, do business to business and assists in local business growth and development.
Promote better business start up opportunities.	• New business start up kit provided to all new businesses locating in Whitehorse that offers information on Council's range of business program and services. • Business development workshops and seminars. • State government funding grant received to facilitate a marketing program for local businesses in 2009.

Strategic Indicators 2009/10

Council is required, under the *Local Government Act 1989*, to identify strategic indicators that will assist Council to monitor the achievement of its strategic objectives in its Council Plan. These indicators are global indicators that reflect broad progress and are not necessarily measures of specific Council actions. The following table reports on the performance of these indicators for the 2009/10 financial year.

1. Serve and strengthen our diverse community to be inclusive, vibrant and engaged.

Indicator	Progress towards meeting our objectives
Increase in the number and diversity of volunteers across Council and the community.	• The *Whitehorse Volunteer and Civic Participation Strategy* was adopted by Council. The strategy identifies two focus areas for work: inclusion of young people and older men in volunteering activities. • Council's Volunteer and Civic Participation Officer works with Council departments and units such as Arts and Recreation Development, Youth Services, Home and Community Care, Whitehorse Arts Space, Box Hill Town Hall, Blackburn Lake Sanctuary and on projects including the Walking School Bus to develop strategies that increase the diversity and number of volunteers across Council. • Council's Walking School Bus has 70 volunteers assisting school children from nine primary schools to walk to and from school.
Improvement in the Community Satisfaction Survey rating for overall performance in the responsible areas.	• Whitehorse achieved an overall rating of 69 for 2009/10 which is an improvement when compared to the 2008/09 rating of 68.
Adopted and implemented Whitehorse Community Engagement Strategy across Council activities.	• Council adopted the International Association of Public Participation framework to undertake community engagement across Council activities. • 22 Council officers participated in training and have now advanced as Council's champions of engagement. • The engagement champions will be involved in two pilot projects for community engagement in Budget 2010/11 consultation and development of the *Arts and Cultural Strategy*. • An example of the strategy implementation was the widespread public consultation was undertaken in the development of the Domestic Animal Management plan by engaging with a number of peak bodies including RSPCA, Lost Dogs Home, Victorian Canine Association, Cat Protection Society, Veterinarians, community groups including dog walking groups and Reserve Committees of Management and invited both written and oral submissions on the proposals. • Additionally online surveys and the promotion in the local media were undertaken and a random selection of in excess of 2600 residents were invited to comment as well as 513 residents in the Morack Golf Course area.
Improved strategic planning and increased number of initiatives undertaken in partnership and collaboration with the Community and key stakeholders.	• A pilot project has been funded by the Department of Health to pilot an integrated strategic planning process (health and wellbeing) between Council, the Whitehorse Community Health Service, the inner East Primary Care Partnership and Monash University. Learnings from this project will assist in further developing strategic planning processes and collaborative initiatives. • Review of the Planning Scheme undertaken and the recommendations adopted by Council at June 2010 meeting. This process involved extensive consultation with the community and various stakeholders. • The MegaMile West and Blackburn Activity Centres Urban Design Framework were adopted by Council at the July 2010 meeting. The development of this framework involved community and stakeholder consultation and the formation of a working group of Council and community representatives.



2. Promote, protect, enhance and respect the quality of our natural and built environments.

Indicator	Progress towards meeting our objectives
Reduction in Council's greenhouse gas emissions.	• Reduced the number of 6 cylinder vehicles in Council's Fleet. • A reduction of 20.35 tonnes of green house gas emissions achieved.
Reduction in Council's water consumption.	• Continued with the Warm Season Grass Transfer Program on Council's sports fields. • The sports fields where warm season grass transfer works took place in 2009/10 were: – Koonung East – East Burwood North – Mirrabooka South – Mahoneys North (Bob Saker Oval) – Springfield West • ParksWide also undertook works to encourage warm season grasses on Surrey Park South West and Mont Albert Reserve. These works involved killing competition grasses stimulating existing couch grass. • In addition to this ParksWide also undertook warm season grass transfer works on Mahoneys mid (soccer # 2) in June 2009 to improve the sports field surface condition.
Increase in the volume municipal waste to be recovered, recycled and/or diverted from landfill.	• Successfully diverted more waste from landfill than previous years; overall diversion rate for 2009/10 was 48.38 per cent compared with 47.36 per cent in 2008/09. A total of 27,967 tonnes of domestic garbage was sent to landfill in 2009/10, compared with 27,848 tonnes in 2008/09, an increase of 119 tonnes or 0.43 per cent.
Environmentally sustainable design principles are applied to all new and redeveloped Council owned buildings.	• All building upgrade works undertaken in 2009/10 incorporated environmentally sustainable design considerations.
Increase in the number of planning applications that exceed a 5 Star energy rating.	• A Planning Scheme amendment has been prepared and submitted to the Minister for Planning seeking authorisation to publicly exhibit the introduction of an Environmentally Sustainable Development Local Planning Policy in the Whitehorse Planning Scheme. • Continued requirement under planning permits for larger developments to be environmentally sustainable.
In the top 5 per cent of councils in the MAV Advanced STEP program for the management of physical assets.	• In the top 25 percentile of councils when assessed against most of the MAV Advanced STEP Program performance measures.
Continue to implement the *Open Space Strategy*.	• Completion of *Slater Reserve Landscape Concept Plan*, new open space acquired in Forest Hill and Mont Albert, development of a key report to Council on future open space acquisition. Improvements to open space including; tree planting, implementation of concept plans at Wren Close, Charles Rook/Dagola and Slater Reserve, construction of a pedestrian bridge at Furness Park, new water tanks for community gardens at Slater Reserve. Progress in the development of concept plans and masterplans for Holland Gully Reserve and Box Hill Gardens. • Implementation of the *Open Space Strategy* through the requirement under the Planning Scheme for monetary and land contributions towards public open space provision and improvements.

3. Deliver organisational excellence, visionary leadership and strong governance, through dedicated people, to ensure the best possible contribution to our community.

Indicator	Progress towards meeting our objectives
Appropriate level of staff turnover and high employee satisfaction.	• The average turnover rate is 12.24 per cent. • Employee Satisfaction was 85 per cent (satisfied or very satisfied with working for Whitehorse City Council) from Staff employee survey conducted in April 2010 with a response rate of over 40 per cent.
Increased attraction and retention of high calibre candidates for Council's vacant positions.	• Systems have been set up to measure the number of candidates responding to each vacancy. This will be measured and compared in the following year. • Anecdotal evidence suggests there has been an increase in the number of candidates responding to vacancies in the past 12 months.
Achievement of the five green risk ratings for financial sustainability conducted by Victorian Auditor General's Office.	• Whitehorse achieved an overall sustainability assessment of green. Council achieved a green rating in 2 of the 5 risk ratings. These were liquidity and indebtedness. The remaining 3 ratings, being underlying result, self-financing and investment gap all achieved a medium, or yellow, rating. Both the underlying result and investment gap ratings are actually trending towards a green risk rating.
Improvement in the Community Satisfaction Survey rating for Customer Service.	• Whitehorse achieved an overall rating of 76 for 2009/10 which is an improvement when compared to the 2008/09 rating of 75.

4. Support a prosperous, diverse and healthy local economy that contributes to the wellbeing of our community.

Indicator	Progress towards meeting our objectives
Increase in the number of new business enquiries and business kits issued.	• Business Kits are promoted to all local businesses, in particular new businesses starting in Whitehorse. New business registrations in Whitehorse have increased in recent years. • Council's Business Kit and relative information has been branded to show consistency in the types of products and services on offer to local businesses.
Increased participation in business development programs for new and start up businesses.	• Council facilitated business events, programs, workshops and seminars are strongly promoted to the local business community and are consistently booked out. • Council's business mentoring sessions are regularly booked out
Improved level of satisfaction with Council's business directory for the promotion of local business.	• 2010 business survey on Council's business programs and services indicated positive responses and appreciation towards the assistance provided in making local businesses better informed. • Council's new business website www.wbiz.com.au has received encouraging responses in regard to the ease of use, the business directory and the on-line booking/registration system for Council-run events, programs, workshops and seminars.
Increased participation in networking events held by Whitehorse City Council.	• Council's Whitehorse Business Week, KickStart Your Business program and events continue to be well attended. The increase in the number of events, workshops and seminars has meant an increase in networking opportunities and business participation.

Financial Summary

Whitehorse City Council has a responsible Long-Term Financial Plan covering a 10-year period aimed at achieving financial sustainability for Council. As part of the Long-Term Financial Plan, Council will spend approximately $300 million on capital works and maintain a balanced budget. The Long-Term Financial Plan helps Council meet the strategic objectives set out in its Council Plan, and in doing so, provide a wide range of services, programs and facilities, as well as maintain and improve the city's infrastructure.

Below is a high level summary of Council's financial performance and position for 2009/10. The summary of financial performance has been made with reference to the Standard Income Statement and compares the actual result with budget. The summary of financial position has been made with reference to the Balance Sheet. Where relevant, prior year comparatives have been included.

Financial performance

Underlying result (before non-recurring items)

Council achieved a better than expected underlying result of $1.8 million surplus when compared to the budgeted underlying result of $2.9 million deficit, mainly due to the following factors:

- Funds were invested in investments with longer maturity dates and higher than expected interest rate returns, resulting in higher than expected interest income.
- Depreciation expense decreased following a review at the end of 2008/09 which resulted in an increase in the remaining useful lives of roads infrastructure assets.

Surplus for the year (after non-recurring items)

Council ended the year with a surplus of $7.1 million compared to the budgeted deficit of $1.6 million as a result of a number of significant non-recurring transactions including:

- Higher than budgeted capital income due to additional federal and state grants received during the year for capital works projects, including $1.1 million for the upgrade of the Wembley Park pavilion and $1.0 million for the redevelopment of Aqualink Box Hill.
- Developer contributions in the form of land (public open space) and drainage totalling $2.7 million, required to be recognised as income, not included in the budget.

Revenue and expenses

Total revenue for the year was $120.2 million (2008/09: $122.8 million) while total expenses for the year was $118.4 million (2008/09: $116.6 million), resulting in an underlying result of $1.8 million (2008/09: $2.7 million).

Council's revenue was mainly derived from the following:

- Rates revenue of $68.0 million (2008/09: $63.7 million) – Rate revenue increased by 6.6 per cent and contributed 56 per cent towards total revenue. Rate revenue is a necessary component of Council's total revenue and is used to carry out Council's Strategic Budget Initiatives, which includes environmentally sustainable initiatives.
- User fees and charges of $32.5 million (2008/09: $33.1 million) – User fees and charges remained fairly consistent with prior year, experiencing a minor decrease in community care revenue of $0.6 million.
- Grants and subsidies of $15.1 million (2008/09: $17.1 million) – Grant funding received from the Victorian Grants Commission, together with grants received for community care and child care centres made up 83 per cent (2008/09: 82 per cent) of all recurrent grants revenue.
- Interest income of $3.9 million (2008/09: $4.1 million) – This relates to interest received on Council's investment in term deposits and cash managed funds, which have been invested in line with Council's investment strategy.

A chart of each type of revenue as a percentage of total revenue is shown in Diagram 1 below.

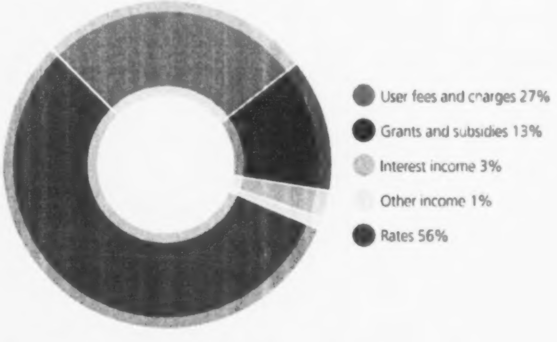


Diagram 1 – Breakup of total revenue

Council's main expenses incurred related to the following:

- Employee benefits of $49.1 million (2008/09: $47.7 million) – This mainly consisted of wages and salaries of $43.4 million (2008/09: $42.3 million) and superannuation of $3.5 million (2008/09: $3.3 million).
- Materials and services of $41.9 million (2008/09: $41.1 million) – This mainly consisted of various contracts and services spread across Council services of $12.3 million (2008/09: $11.9 million) and recycling and waste of $11.4 million (2008/09: $11.1 million).
- Depreciation of $20.1 million (2008/09: $20.8 million) – The largest component of depreciation expense related to roads of $7.0 million (2008/09: $7.8 million), followed by buildings of $4.3 million (2008/09: $4.0 million).

A chart of each type of expense as a percentage of total expenses is shown in Diagram 2 below.

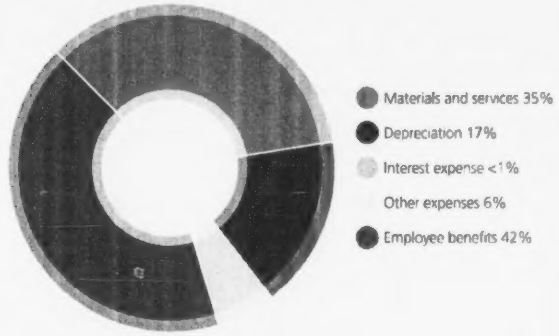


Diagram 2 – Breakup for total expenses

Financial position

At 30 June 2010, Council's total assets were $1,933.8 million (2008/09: $1,681.6 million) and total liabilities were $30.6 million (2008/09: $29.3 million), resulting in net assets of $1,903.2 million (2008/09: $1,652.3 million).

During the year, Council maintained its strong liquidity and working capital position. Current assets comprised cash and cash equivalents of $78.7 million (2008/09: $73.8 million), trade and other receivables of $7.1 million (2008/09: $6.5 million) and other assets of $0.3 million (2008/09: $1.2 million). Working capital was calculated as $3.12 (2008/09: $3.19) of current assets for each dollar of current liabilities.

Non-current assets included investments in associates of $7.1 million (2008/09: $8.2 million) and property, infrastructure, plant and equipment of $1,840.4 million (2008/09: $1,591.4 million).

The value of investments in associates decreased significantly as a result of Council taking up its share of the revaluation decrement of property, plant and equipment recognised by Regional Landfill Clayton South of $1.0 million.

Property, infrastructure, plant and equipment saw a substantial increase in value following a revaluation of Council's land, buildings and roads infrastructure assets at year-end. Land and buildings experienced a considerable revaluation increment of $246.7 million, while roads experienced a slight decrement of $2.8 million. Spending on capital works was higher than budget and totalled $24.5 million. Of this amount, $19.9 million (81 per cent) was spent on renewing, restoring and replacing existing assets. Depreciation expense for the year was $20.1 million. The level of renewal spending was fairly consistent with depreciation expense, indicating that Council invested in assets at a consistent rate to the depreciation rates. Property, infrastructure, plant and equipment are the most significant assets on the balance sheet making up 95 per cent (2008/09: 95 per cent) of total assets.

Total liabilities remained consistent with that of prior year, increasing marginally by 4 per cent. Current liabilities included trade and other payables of $17.3 million (2008/09: $16.9 million) and comprised trade creditors, accruals, funds held in trust and deposits.

Council continued to hold fixed rate loans and borrowings. At 30 June 2010, interest bearing loans and borrowings totalled $2.6 million (2008/09: $2.8 million), of which $0.2 million (2008/09: $0.2 million) was classified as current in the balance sheet. The existing loans and borrowings are expected to be fully repaid by 2017/18.

The movement in total equity related to the surplus for the year of $7.1 million (2008/09: $6.3 million), as well as the net revaluation increment recognised directly in equity of $243.9 million (2008/09: nil) recorded within the asset revaluation reserve.

Financial outlook

Council is preparing for its twelfth balanced budget in the 2010/11 year. Whitehorse's Long-Term Financial Plan outlines Council's intention to achieve an underlying operating surplus position in 2010/11. This year's result has delivered an unexpected underlying surplus, however, it needs to be viewed in context with the budgeted underlying deficit for 2008/09 as well as 2009/10.

It is important to note that Council's long-term financial position was predicated on a rate increase of 6 per cent plus an additional component to recover the increase in the state government landfill levy. In 2009/10 the additional rate increase is 1.28 per cent. An annual rate income of 6 per cent has been applied over the remainder of the Long-Term Financial Plan. This is a practical and fiscally responsible policy position taken by Council to ensure that Whitehorse is able to deliver services and capital works that will meet the needs of its diverse community for many years to come.

With these increases, Whitehorse will continue to have one of the lowest levels of rates in metropolitan Victoria, while maintaining high quality services and facilities and addressing the challenges of water restrictions and rising costs associated with drought, effects of extreme weather events, maintaining ageing infrastructure and cost shifting from other levels of government.

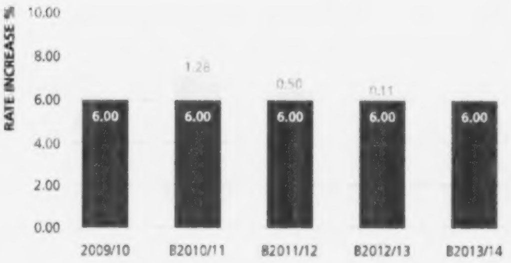
Financial sustainability

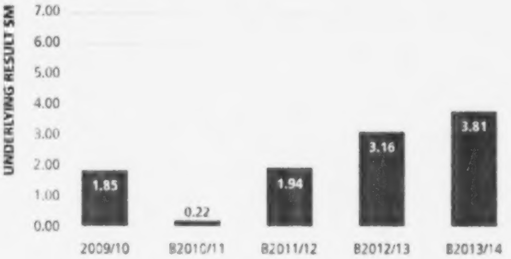
A high level Strategic Resource Plan for the years 2010/11–2013/14 has been developed to assist Council in adopting a budget within a prudent longer term financial framework. The key objective of the plan is financial sustainability in the medium to long-term, while still achieving the strategic objectives as outlined in the *Council Plan 2010-2014*.

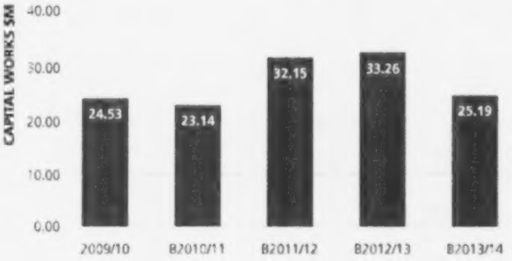
The *Council Plan 2010-2014* ensures steady progress towards achieving the sustainability measures set by the Victorian Auditor General. Council will achieve an underlying operating surplus by the 2010/11 year while placing higher priority on capital works renewal by increasing maintenance on existing infrastructure assets. The plan also focuses on the maintenance of cash reserves and minimisation of debt to fund major capital projects.

Supporting graphs

The following graphs highlight Council's Long-Term Financial Plan for rates, operating result and capital works expenditure over the next five years.







Victorian Local Government Indicators

	Target 2009/10	Actual 2009/10	Target 2008/09	Actual 2008/09
Average rates per assessment	$1,030.79	$1,029.67	$974.65	$972.80
Average rates per residential assessment	$977.00	$970.22	$923.51	$922.36
Average liabilities per assessment	$512.02	$395.55	$519.42	$447.51
Operating result prior to capital funding	($2,230,000.00)	$4,222,000.00	($3,068,000.00)	$3,366,000.00
Operating result per assessment	($24.20)	$107.90	($22.05)	$95.94
Average operating expenditure per assessment	$1,843.85	$1,816.17	$1,840.11	$1,779.76
Average capital expenditure per assessment	$362.14	$371.71	$356.06	$410.73
Infrastructure renewal	80.46%	95.08%	100.13%	135.98%
Infrastructure renewal and maintenance	85.91%	96.60%	100.08%	121.04%

SECTION THREE

Departmental Reports

EXECUTIVE SERVICES

- Civic Services
- Communications

CORPORATE SERVICES

- Compliance
- Finance and Information Services
- Organisation Development
- Property and Rates

CITY DEVELOPMENT

- Development, Strategy and Business Services
- Engineering and Environmental Services
- Urban Design

HUMAN SERVICES

- Arts and Recreation Development
- Community Development
- Health and Family Services
- Home and Community Care
- Library Services

INFRASTRUCTURE

- Capital Works
- City Works
- ParksWide
- Recycling and Waste Centre

EXECUTIVE SERVICES:
Civic Services

The Civic Services Department is responsible for frontline and strategic customer service, provision of governance advice, statutory and procedural matters, Civic Centre amenities services and in-house print services. The department also serves the Mayor and Councillors, the Executive Management Team and internal staff. Council's Customer Service Centres operate from Nunawading, Box Hill and Forest Hill during business hours and outside of these times, Council can be contacted via the after-hours service or online.

Highlights of 2009/10

- Conferred Australian citizenship on 1142 candidates at nine Citizenship Ceremonies.
- Reviewed governance practices, procedures and processes and implemented change to enhance accountability and transparency.
- Council's nine contact centres answered a total of 321,567 calls (298,636 in 08/09). 81.84 per cent of these calls were answered in the first 20 seconds (improvement from 78.67 per cent in 08/09).
- Of those calls, customer service answered 138,146 (128,648 in 08/09) and 89.51 per cent of these calls were answered in the first 20 second (improvement from 87.12 per cent in 08/09).
- Processed 53,583 requests for action with 88.17 per cent completed by the due date.
- Served 61,768 customers over the counter and processed 54,635 cashiering transactions.
- 226,724 transactions processed through alternate payment options such as the internet, BPAY and Australia Post.
- Completed the Continuous Improvement Project and as a result developed Whitehorse CARES to provide a framework for continuous improvement to Council's customer service.
- Provided an in-house photocopy, print and finishing service for internal and public documents.

Challenges

- Maintaining Council's high standard of customer responsiveness and striving for first-point contact resolution.
- Providing services during extreme weather activities.
- Managing requirements of customers internally and externally.

Moving Forward

- Continue to improve staff awareness of good customer service levels and good governance practice through corporate training, information and awareness programs.
- Continue the implementation of the Best Value Review.
- Develop and implement the *Whitehorse Customer Service Strategy* and launch the Customer Service Charter to the community.
- Deliver the Whitehorse CARES training program to all Council staff.

EXECUTIVE SERVICES:
Communications

The Communications Department provides information on Council services and activities to the Whitehorse community, Councillors, staff and media.

This is provided in a number of ways including Council's newspaper the Whitehorse News, corporate brochures and other publications. The department also manages Council's website and intranet, produces media releases and responses and is responsible for strategic communications and issues management, assisting with civic openings and events, coordinating corporate identity and promotional activities.

In addition, the department facilitates advocacy, community engagement and consultation on a range of key services, activities, issues projects and events.

Highlights of 2009/10

- Whitehorse City Council was acknowledged for its excellence in annual reporting when it was presented with its third consecutive annual Bronze Award from the Australasian Reporting Awards for the Annual Report 2008/09.
- The roll-out of Council's redeveloped website to provide better access, clearer content and improved service provision.
- Created an information video about Whitehorse City Council for use at staff inductions and for display at the Civic Centre and civic events.
- Held a Christmas card competition for Whitehorse secondary school students. The winner's illustration was used as the official 2009 Council Christmas card.
- Assisted with the hosting of the state government's Community Cabinet held in the Whitehorse Council Chambers in February 2010.
- Increased the number of stories and publications produced in languages other than English to better support our culturally and linguistically diverse community.
  - Produced: 12 editions of Council's 16-page newspaper Whitehorse News, 271 media releases, 191 media responses, 115 speeches, 16 flyers and posters, 14 informative Council publications, 50 updated fact sheets, 52 weekly advertisements, regular public notices and other ads in targeted press.
  - Produced: Annual Report, Community Directory, the *Council Plan 2010-2014*, Rates Brochure, Whitehorse Calendar and co-produced a number of other Council publications and strategies.
- Actively promoted: Sustainable Living Week, Spring Festival, Carols by Candlelight, Whitehorse Business Week, Heritage Week, Australia day Awards and Celebrations, summer Music Series, Harmony Day and various other Council events.
- Commenced media partnership with Channel 9 to promote Council festivals and events.

Challenges

- Communicating effectively with our diverse community.
- Gaining state and federal government funding through advocacy campaigns.
- Ensuring all Council publications are delivered in a timely and effective manner.

Moving Forward

- Redeveloping the organisation's intranet.
- Supporting advocacy campaigns.
- Keeping our community informed in a clear, concise manner.

2010 Calendar
Council Plan

CORPORATE SERVICES:
Compliance

The Compliance Department incorporates the Community Laws and Risk Management Units and focuses on the areas of parking, animal management, community laws, school crossing provision, risk management and emergency management.

The Community Laws Unit is responsible for a number of Council's statutory responsibilities particularly domestic animal management, parking control and the provision of community standards through Local Laws. In addition, the unit administers Council's school crossing and fire prevention programs.

The Risk Management Unit works with other departments to identify, analyse and treat risks and potential risks. The unit also coordinates the insurance needs of the organisation, procures adequate insurance cover and manages claims when required.

In addition, the unit manages Council's responsibility for and statutory obligations under the *Emergency Management Act (1986)*. This includes providing support to response and recovery agencies, during and after an emergency.

Highlights of 2009/10

- Undertook extensive training across the organisation to raise risk awareness.
- Ran a responsible pet ownership art competition in local schools.
- Introduced the revised *Risk Management Policy and Strategy*.
- Completed the second year of the *Domestic Animal Management Plan (DAMP)*, including:
  – compulsory desexing of animals
  – night time confinement of cats
  – prohibition of cats from designated Council reserves.
- Civic Mutual Plus audit resulted in an improved rating up 8 per cent up from 71 per cent in 2008 to 87 per cent in 2009.

Challenges

- Implementing findings of the 2009 Victorian Bushfires Royal Commission and managing the specific aspects that relate to Whitehorse.
- Implementing year three of the DAMP.
- Preparation for auditing the *Municipal Emergency Management Plan*.
- Implementing the new parking strategy.
- Managing new animal management arrangements including cat curfews.

Moving Forward

- The new Community Laws structure will enhance service provision across all areas of service incorporating a community educative approach.
- Raise risk maturity across the organisation.
- Manage the School Crossing Program and the difficulty recruiting sufficient numbers of crossing supervisors to service the program.
- Establish new parking management infrastructure.
- Review Council's *Business Continuity Plan*.

CORPORATE SERVICES:

Finance and Information Services

Finance

The Finance Department manages all of Council's financial transactions including preparing the annual budget and the annual financial statements for adoption by Council, as well as providing services to all departments for payroll, contracts and purchasing, management reporting and accounting services. Finance carries out the treasury function for Council ensuring funds are invested according to the Whitehorse Investment Policy.

The Finance team prepares Council's critical strategic documents, the Council Plan, Strategic Resource Plan and the Long-Term Financial Plan. These documents set out medium to long-term objectives to ensure that the organisation remains financially sustainable.

Highlights of 2009/10

- Achieved a rate determination (cash position) surplus for the tenth consecutive year.
- Revised the ten year long-term plan to inform future budgets and ensure financial sustainability.
- Prepared the Budget 2010/11 that was adopted on 28 June 2010.
- Conducted a community budget workshop as part of an enhanced budget consultation process.
- Held five meetings of the Audit Advisory Committee.
- Implemented new banking services with the National Australia Bank.
- Inducted new internal audit service provider, PricewaterhouseCoopers, including the development of a three year strategic internal audit plan.
- Participated in the Victorian Auditor General's Office performance audit on Fees and Charges – Cost Recovery by Local Government.
- Participated in the establishment of the Essential Services Commission local government performance monitoring project.
- Made a submission to the Audit Committees – A Guide to Good Practice for Local Government issued by Local Government Victoria.
- Revised the *Council Plan 2009-2013*.

Challenges

- Ensuring Council's financial sustainability by planning good steady progress towards achieving the sustainability measures set by the Victorian Auditor General.
- Ensuring that exposure to the effects of the global financial crisis is minimised including income streams such as interest.
- Continuing to focus on Council's Capital Works Program by achieving a balance between reserves, borrowings and rate funding for major capital projects.
- Managing the effects of changes to Australian Accounting Standards.

Moving Forward

- Implement Council's electronic performance monitoring system.
- Develop a pricing policy to guide Council's fee-setting decisions.
- Introduce a full costing accounting framework.

Information Services

Information Services provides the infrastructure and support for all underlying key computing systems that support the administrative functions of Council. The objective of the department is to provide well supported state-of-the-art, secure and reliable systems that meet the requirements of the organisation. The department is also responsible for the maintenance of Council's corporate information including retention, disposal and archiving of records.

Highlights of 2009/10

Information Technology

- Continued the implementation of virtualisation and storage area network infrastructure with the aim of reducing costs, providing greater return on investment and increasing disaster recovery capabilities.
- Completed installation of IT disaster recovery infrastructure.
- Spread Spectrum Wireless communication links were installed to several remote sites to improve communication speeds and responsiveness.
- Reviewed and enhanced ePathway: Council's online system for customer interaction.
- Began the process of changing Council's telephone systems to provide more functional tools that will increase responsiveness and customer service levels and decrease costs and down time.
- Assisted with the selection and implementation of a new client management system for Home and Community Care to integrate key business systems and provide increased functionality and mobile computing capabilities.
- Undertook upgrades of the core systems that support the day-to-day business processes within Council.
- Continued to develop and maintain Council computer assets with a focus on efficiency and sustainability.

Corporate Information

- Completed the roll out of Council's electronic document and records management system: TRIM.
- Conducted Enterprise Content Management (ECM) program to assess Council's ECM maturity level. The program aims to provide support and guidance to assist Council with legislative compliance.
- Developed an Information Management Policy.
- Reviewed and updated Council's Privacy Policy.

Challenges

- Provide a balance between secure and robust systems, safe from ever-present malicious viruses and other threats and the need for function-rich and efficient business tools.
- Implement energy-efficient technology to reduce both energy consumption and heat emissions, while maintaining fully functional, reliable and robust systems.
- Introduce economical systems that cater for the mobile workforce and enable more efficient work practices.
- Move from paper-based recordkeeping to electronic recordkeeping.

Moving Forward

- Complete the implementation of the *IT Disaster Recovery Policy, Framework and Plan*.
- Select and implement a new telecommunications system across Council's major sites.
- Complete the database consolidation project.
- Continue the wide area network upgrade for remote sites.
- Review organisational printing requirements and implement efficient and economical systems.
- Conduct a TRIM post implementation review and upgrade TRIM to latest version.
- Implement the Information Management Policy.

CORPORATE SERVICES:

Organisation Development

The Organisational Development Department provides advice and support to managers and employees on human resource management; training and development; Occupational Health and Safety and return to work programs; and organisation-wide projects, such as organisational structure reviews, change management programs and workforce planning.

Highlights of 2009/10

- Coordinated the workforce planning consultation process and subsequent staff survey.
- Successfully negotiated the Whitehorse City Council Collective Agreement and implemented new terms and conditions of employment arising from this.
- Delivered in excess of 50 different learning and development initiatives at various locations across Council.
- Commenced the in-house delivery of a Diploma of Management course by Swinburne University with a co-contribution of costs by participants.
- Commencement of Indigenous Apprenticeship Program
- Development and implementation of Year of Women in Local Government program
- Implemented specific enhancements to the Occupational Health and Safety statistical reporting system to provide better tracking and monitoring at management level.
- Completed review of WorkCover insurance contract.

Challenges

- Continue to research and develop strategies to ensure a viable, productive and long-term workforce.
- Ongoing review and streamlining of the process for registering, tracking and reporting on staff participation in learning and development activities.
- Reinforce internal Occupational Health and Safety and WorkCover processes and maximising the effectiveness of training in relation to these areas.

Moving Forward

- Ongoing development and delivery of workforce planning strategies and initiatives.
- Explore opportunities for Council to support apprenticeships and traineeships which focus on local government employment areas.
- Roll-out an online contractor induction system.
- Develop a workplace hazard inspection program.
- Continue the momentum of the Fourth Level Management Development Program, including the delivery of a professional development forum.

CORPORATE SERVICES:
Property and Rates

The key responsibilities of the Property and Rates Department include the availability and delivery of accurate land and property information, the generation and collection of rates and fees, the provision of expert technical advice and managing Council's property asset base.

The four units within the department are Geographic Information Systems (GIS), Property, Rates and Valuations. The department coordinates the revaluation of all rateable property within the city, provides a rating service for more than 66,000 assessments, reconciles all rate revenue accounts, provides desktop mapping tools and coordinates all property transactions for Council including sales, purchases, leases and road discontinuances. Property staff also provide professional and technical advice to other Council departments about managing Council land.

Highlights of 2009/10

- Adopted the 2010 level general revaluation of 66,000 rateable properties for rating purposes. The total Capital Improved Value of properties in the city is now in excess of $42 billion.
- Under the Tenure Management Program (TMP), developed and introduced retail lease templates and accompanying documents to ensure that Council complies with the *Retail Leases Act (2003)*.
- Rates Hardship Assistance Policy adopted by Council. The primary objective of this policy is to ensure ratepayers experiencing genuine financial hardship situations are made aware of their legal entitlements regarding rating assistance available under the *Local Government Act (1989)* and also made aware of support initiatives developed by Whitehorse City Council.
- Policies for street numbering and the sale of discontinued roads adopted by Council.
- Successfully introduced the bill payment service offered by Council's new provider National Australia Bank.
- Continued to expand the information available through GIS, including the mapping of footpath condition inspections and the distribution of indigenous plants in Whitehorse.
- Developed a spatial register of Council-managed property and land including the digital capture of plans and titles.
- The Whitehorse GIS Department was chosen as the Australian local government host for a visit from the Infrastructure Development Institute of Japan for its GIS research study.

Challenges

- Continue the implementation of the new lease and licence TMP to formalise occupancy agreements with clubs and community groups on Council-owned and controlled property.
- Continue to play a significant role in the development of Council's Asset Management System including integrating GIS functionality to support efficient and effective delivery of asset-related information.

Moving Forward

- Manage customer's real estate market expectations in relation to the 2010 revaluation conducted in line with best practice guidelines set down by the Valuer General Victoria.
- Respond professionally to an anticipated increase in customer enquiries resulting from the 2010 property revaluation.
- Finalise the Leasing of Council-Owned Property Policy.
- Review the valuation contract and the Valuation Best practice Guidelines released by the Valuer General Victoria in order to commence the 2012 general revaluation.

CITY DEVELOPMENT:

Development, Strategy and Business Services

Building Services

The Building Services Unit comprises qualified building surveying professionals. The unit has extensive experience in all aspects of building certification, design consultation and inspections on projects of any scale and complexity. The unit provides full building surveying services, including preliminary building regulatory advice and can provide advice through the entire building process from conceptual design to final completion. The unit has qualified staff on board to approve disabled and performance-based assessments to ensure maximum design flexibility and cost savings are achieved.

Highlights of 2009/10

- Employed an Essential Safety Measures (ESM) compliance officer.
- Developed and upgraded building enforcement pathway modules.
- Introduced building fact sheets in Chinese and Vietnamese languages.

Challenges

- Implementing the *Municipal ESM Strategic Plan*.
- Maintaining adequate building enforcement actions based on the number of complaints received.

Moving Forward

- Ongoing training in green building sustainability on 6 Star building design.
- Promote the building certification service to local businesses.
- Finalise the ePathway project to enable online payment and enquiries.

Business and Economic Development

The Business and Economic Development Unit leads, stimulates and facilitates local economic development in partnership with business and community networks. The role of the unit in supporting business growth includes:

- Investment and development facilitation.
- Networking and strategic business partnerships.
- Business research, information and communication.
- Promotion of local businesses.

Highlights of 2009/10

- Whitehorse Business Week: more than 800 business representatives attended a series of business development and networking events.
- More than 150 businesses attended a range of business workshops and seminars during the KickStart Your Business program.
- Upgraded www.wbiz.com.au
- Successfully completed the Whitehorse Tertiary Business Skills Program.
- Successfully renewed the Burwood Heights Special Rates and Charges Scheme.
- Successfully conducted the first year of the Think Local Buy Local campaign
- Provided monthly mentoring sessions for local small businesses.

Challenges

- Encouraging local businesses to engage in contemporary marketing technologies and opportunities.
- Encouraging home-based businesses to grow and develop.
- Encouraging suitable and appropriate development that strengthens existing retail and commercial areas.

Moving Forward

- Develop a *Whitehorse Retail Strategy*.
- Renew the Special Rate and Charges Schemes at retail precincts.

Planning

The Strategic Planning Unit is Council's primary town planning policy development section and provides the strategic direction to support the appropriate growth in residential, commercial and industrial development within the city, including the preparation of structure and framework plans for Activity Centres and undertaking amendments to the Whitehorse Planning Scheme. The unit also oversees place management in the Box Hill Central Activity District (CAD). The unit is responsible for ensuring that development in the municipality complies with relevant planning legislation and for the assessment and determination of planning applications under the Whitehorse Planning Scheme, its policies and relevant state planning legislation. This involves daily interaction with the community, through enquiries and notification of planning applications.

Highlights of 2009/10

- Completed a review of the Whitehorse Planning Scheme.
- Introduced a new public open space contribution local policy and updated contribution schedule in accordance with the *Whitehorse Open Space Strategy (Amendment C99)*.
- Achieved permanent local policies to implement the *Burwood Heights Major Activity Centre Structure Plan (Amendment C92)*.
- Developed an Environmentally Sustainable Development Planning Policy.
- Introduced procedures to allow more timely decisions on planning permit applications.

Challenges

- Implementing adopted structure plans and urban design frameworks through amendments to the planning scheme.
- Advocating for state government funding for projects to improve the Box Hill CAD.
- Staff development and retention.
- Educating stakeholders on planning processes and practices.
- Continuing to improve processes and procedures.

Moving Forward

- Implement the new Whitehorse Ecologically Sustainable Development policy.
- Adopt the MegaMile (west) and Blackburn Activity Centres Urban Design Framework.
- Implement the next stage of the *Heritage Framework Plan* by applying the Heritage Overlay to selected properties.

CITY DEVELOPMENT:

Engineering and Environmental Services

Council's Engineering and Environmental Services Department provides a range of services to the community including traffic, road safety, sustainable transport, strategic asset management, infrastructure design and construction, waste and recycling and coordinating implementation of Council's *Whitehorse Sustainability Strategy 2008- 2013: Our EcoVision*. The department is responsible for strategic asset management planning of key infrastructure including more than 700 kilometres of road, 1340 kilometres of kerb and channel, 824 kilometres of drains, 12 gross pollutant traps, 38 litter baskets and around 10,100 streetlights. The department is also the key driver and facilitator for many of Council's sustainability initiatives. Detail of this work can be found on page 31 in the Sustainability Initiatives section.

Highlights of 2009/10

- Resurfaced and reconstructed 133,800 square metres of local roads including constructing new on-road bicycle lanes in Albion Road, Box Hill and rehabilitated and constructed 820 metres of stormwater drains.
- Constructed footpath in Springvale Road near Burwood Highway (TravelSmart program).
- Upgraded existing shared pedestrian and bicycle paths in Forest Hill Reserve, Elgar Park and the Gardiners Creek Trail (Canterbury Road and Station Street) and constructed new shared path to provide a link in the Gardiners Creek Trail along Burwood Highway. Constructed new north-south bicycle link including on road bicycle paths on Surrey Road.
- Completed the Burwood Highway TravelSmart (Route 75) project and Local Area Access Program in partnership with organisations in the Tally Ho Business Park in East Burwood (Hewlett Packard, -, World Vision, VicRoads and the Country Fire Authority). The project aims to increase the use of sustainable transport by staff.
- Implemented the Integrated Transport Strategy and Road Safety Strategy. Programs delivered included Wiser Driver, Keeping Safe and Mobile, Not So Fast (6 speed trailers at 260 locations), Fit to Drive, Child Restraint Clinics, BikeEd, combined education programs with Victoria Police regarding speed, drink driving and vehicle safety. Sustainable Transport programs included Walking School Bus at nine schools, promoted events such as Walk to School Day, Ride to School Day, transit and bike maintenance programs.
- Provided overall Council coordination with the Springvale Road Alliance on the Springvale Road Rail Grade Separation.
- Delivered a successful Sustainable Living Week event.
- Coordinated and promoted Council's contribution to Earth Hour.
- Continued to implement the innovative community program, Sustainable Ambassadors specifically for the Chinese speaking community.
- Facilitated the Sustainability Street community program involving residents in a series of interactive training sessions on how to live more sustainably.
- Continued the Home Composting Incentive Program enabling residents to buy a range of home composting products from local suppliers and apply for rebate. This resulted in over 100 households successfully receiving a home composting rebate.
- Commenced the Yarra Valley Water showerhead exchange program, offering a free showerhead exchanges from Council's three customer service facilities for Whitehorse residents. A total of 393 showerheads were exchanged up until June 30 2010.
- Implemented a light globe recycling program by setting up recycling bins/boxes across the municipality for residents to drop off used or unwanted light bulbs. The globes are taken to a recycling plant where almost all of the globe's components are recycled.
- Implemented a Fair Trade Community program to encourage Council and the community to increase the purchase and use of Fair Trade products. Promotional activities held during Fair Trade Fortnight in May 2010.
- Successfully completed the third year of the optional user-pays kerbside garden organics bin collection service. As at end of June 2010, 22,927 households were participating in the service resulting in 8400 tonnes of green organics being collected for processing into mulch.
- Continued the Ring and Book service to recycle whitegoods, scrap metal and electronic goods, with 508 households participating over the year.
- Successfully diverted more waste from landfill than previous years; overall diversion rate for 2009/10 was 48.38 per cent compared with 47.66 per cent in 2008/09. A total of 27,967 tonnes of domestic garbage was sent to landfill in 2009/10, compared with 27,848 tonnes in 2008/09, an increase of 119 tonnes due to growth in tenements.

Challenges

- Help the community adapt to climate change and to finalise and implement the *Climate Change Adaptation Plan*.
- Raise awareness within the organisation and across the community about emerging environmental and sustainability issues such as Peak Oil.
- Keep up to date with the changes to government programs, legislation and requirements in the area of climate change, carbon trading and sustainability in general to ensure Council programs and projects are updated accordingly and remain relevant.
- Encourage our community to select forms of transport that are safe, sustainable and active.

Moving Forward

- Develop a *Peak Oil Action Plan* which draws together key actions required by Council and the community.
- Further promote the use of Fair Trade products across Council and in the community.
- Prepare a new Integrated Transport Strategy to identify and address key road safety, sustainable transport, active transport and transport engineering issues.

HELP PROTECT
OUR WORLD
RECYCLE
YOUR
BATTERY

CITY DEVELOPMENT:

Urban Design

The Urban Design Department is responsible for the design, construction and revitalisation of urban spaces throughout the municipality. The department provides urban design advice throughout the organisation and provides leadership in placemaking, creating and implementing unique physical environments that are constructed for the community. The department focuses on design exploration through innovative methodologies to create sustainable, comfortable and safe places for people.

Design and construction of retail precincts, activity centres, neighbourhood shopping precinct revitalisation, urban strategic planning and play space development are key components of the departmental portfolio.

Highlights of 2009/10

- Designed and constructed four raingardens in conjunction with Melbourne Water in the retail precinct of Blackburn Station Village to showcase water sensitive urban design in a streetscape setting.
- Developed the *Whitehorse Signage Strategy* for a pilot program to be tested for Council's assets.
- Developed and designed an urban design vision for the Nunawading Retail Precinct.
- Upgraded six retail precincts including Milne Road Shopping Centre and Diana Drive Shopping Centre and sections of Rangeview Shopping Centre, Wattle Park Shopping Centre, Blackburn Station Village and MegaMile Streetscape.
- Upgraded playground facilities at Victoria Rose Sensory Play Space, Bolton Reserve, Wurundjeri Walk and Furness Park.
- Delivered the 2009 Building a Better City Urban Design Awards.

Challenges

- Building sustainable and accessible landscapes within existing site contexts and locations.
- Enhancing community engagement mechanisms for more viable community involvement in designs.

Moving Forward

- Continue Box Hill's development as a viable, innovative and attractive CAD.
- Implement the *Whitehorse Signage Strategy*.
- Implement physical upgrades of shopping centres and playgrounds in the most practical and timely manner.

Spotlight

Urban Design played a key role in the redevelopment of the Box Hill Centre Median, Stage 2A.

The design of the median improved pedestrian access and movements to allow the area to be better used as the CAD develops. The design recognises sensitivities such as existing mature trees, sustainable landscape design principles and historical elements that represent a specific significance to Box Hill and its character. The project included an urban forecourt and plaza for mixed activities/festivals.

This project attracted $25,000 funding from the state government and is part of implementing the *Box Hill Activity Centre Structure Plan*.

HUMAN SERVICES:

Arts and Recreation Development

This department comprises Cultural Facilities and Programs, Leisure Facilities and Parks Planning and Recreation Units.

Cultural Facilities and Programs

Arts and culture in Whitehorse comprises a broad range of programming and experiences for people of all ages. This includes opportunities to participate in outstanding cultural faculties such as the Whitehorse Centre which presents a performing arts program and offers a function venue. Box Hill Community Arts Centre holds arts courses and classes, exhibitions, workshops and has rooms for hire. There are spaces such as community halls and the historic Box Hill Town Hall which are available for room hire and functions. Inside the Town Hall is the museum-standard Art Space gallery that offers a calendar of free quality art exhibitions and floor talks. There is also the city's heritage to explore at Schwerkolt Cottage and Museum, Heritage Week and walking tours. Throughout the year there are free outdoor festivals, events and markets to enjoy.

Highlights of 2009/10

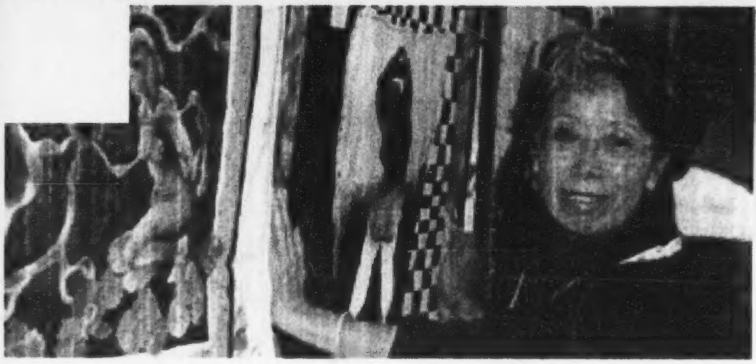
- An increase in attendance at the Whitehorse Professional Theatre and Music Program and the Midweek Program resulting in the greatest income return to date.
- A highly successful Whitehorse Centre co-production of The Peppercorn Tree.
- Major maintenance works completed on the older section of the Box Hill Town Hall including replacing stage rigging and winches.
- *Suburban Heartlands: A History of the City of Whitehorse*, which contains many contributions from the Whitehorse community, was published.
- Strathdon Orchard and House Feasibility Study commenced and aims to determine a plan for increased use of this heritage and open space asset.
- Heritage Week program included new external partnerships with Box Hill Institute, Whitehorse Asian Business Association and the Public Record Office of Victoria.
- Highly successful Spring Festival with record audiences and greater participation from community groups.
- Initiated a Harmony Day event in partnership with the Community Development Department. This event received positive feedback and promoted the Whitehorse communities diverse cultural groups, activities and performers.
- Conservation of the city's icon, the White Horse Monument and a major rebuild of the supporting porch way.
- The Art Space hosted the popular Box Hill Institute Art Exhibition, for graduating students, with a visitor tally of 1126 for the 17 day duration of the exhibition.

Challenges

- Continue to improve the level of customer service for Town Hall events, Hub meetings and Community Hall clients with an increase in requests for space and services.
- Meeting the needs associated with increased enrolments and demand for space at Box Hill Community Arts centre and therefore managing after hours staffing and increased building maintenance.
- Managing festivals and markets within the Nunawading civic precinct when audience numbers and car parking are at capacity.
- Continue to build stronger links and partnerships with local and regional cultural, educational and other business sectors, across all arts and cultural programs.
- Managing existing partnerships with community groups to produce events within resources, ensuring community inclusion, quality and safety are not compromised.

Moving Forward

- Further increase the profile of the Whitehorse Centre as a destination for events and theatre.
- Address the requirements of an ageing population and increase opportunities for youth and the broad interests of the Whitehorse community in Arts and Cultural programming and facility development.
- Present the Carols Concert with a new program format that has a broader appeal for our diverse community.
- Trial increased weekend openings at Whitehorse Art Space.



Spotlight

Art Without Borders – a textile-based project adapted to suit women who were born overseas and now reside in Whitehorse – was run by Artist in Resident, Judy Leong, at Box Hill Community Art Centre. Three artists, Judy, Ruth and Sunny offered their skills to teach in these workshops. These workshops were structured for migrant women to explore their personal journey from country of birth to their new home in a creative way. Using textiles such as felt, fabric paints and patchwork fabric they participated over 10 weeks to paint, felt, cut and stitch their way to create an art quilt that showcased their achievement. The artwork has formed a travelling exhibition touring regional Victoria and was displayed in Federation Square as part of Cultural Diversity Week.

Leisure Facilities

The Leisure Facilities Unit provides leisure and recreation activities for the Whitehorse community and comprises five facilities – Aqualink Nunawading, Aqualink Box Hill, Morack Public Golf Course, Nunawading Community Centre and Sportlink Vermont South multipurpose stadium.

Highlights of 2009/10

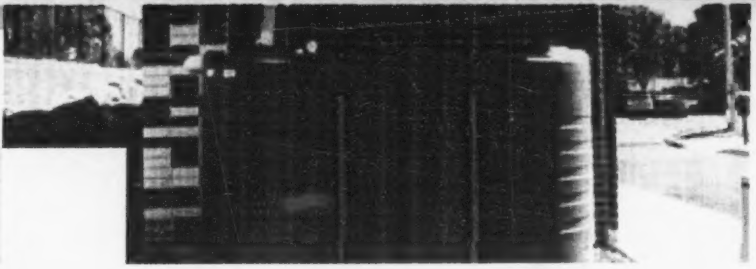
- Successfully applied for and obtained $2.5 million from Sport and Recreation Victoria Better Pools Funding Program for the Aqualink Box Hill Redevelopment. This funding was the culmination of an extensive seven year feasibility assessment and consultation regarding the need and viability of redeveloping this popular but ageing facility.
- Aqualink Nunawading Aqua Instructor, Jennifer Schembri-Portelli was awarded the 2009 Fitness Professional of the Year by Fitness Australia.
- Concept and Redevelopment Plan for Aqualink Box Hill adopted by Council.
- The driving range at Morack Public Golf Course was upgraded with new drought-tolerant turf surface, installation of a new irrigation system and additional drainage.
- Nunawading Community Centre has returned to normal operation with the completion of the Springvale Road Rail Grade Separation with tenant groups increasing their usage and membership.
- Aqualink Nunawading held a member information night in March 2010 with a speaker from the National Stroke Foundation educating members on stroke and the prevention of stroke.
- Sportlink Vermont South celebrated its first birthday in February 2010.
- Aqualink Nunawading hosted a 24-hour Mega Swim to raise money for Multiple Sclerosis with over $9000 raised for this cause.
- Sportlink Vermont South hosted a tree planting ceremony to signify the Sister City relationship between Whitehorse and Matsudo, Japan.

Challenges

- Maintaining centre memberships and attendances at Aqualink Box Hill in light of increasing customer expectations, emerging competitors and an ageing facility.
- Managing the expanding court usage of Sportlink Vermont South.
- Meeting customer needs and expectations for water space at Aqualink Nunawading within available pool space at peak times.

Moving Forward

- Aqualink Nunawading's 50th Birthday celebrations will be held in December 2010.
- An ultra-violet disinfection system will be installed at Aqualink Nunawading to assist with providing a high standard of water quality.
- Major redevelopment of Aqualink Box Hill.



Parks Planning and Recreation

The Parks Planning and Recreation Unit primarily facilitates the planning and policy for parks, open space and recreation resources throughout Whitehorse. This includes the administration and facilitation of Parkland Advisory Committees and the support for sport and recreation clubs through provision of recreation facilities and club development seminars.

Whitehorse has a significant and diverse physical heritage that includes bushland, waterways, regional parks and gardens. There are approximately 335 open space areas in Whitehorse (690 hectares), which represents approximately 10.7 per cent of the municipality. Approximately 590 hectares of this land is owned and managed by Council. Contained within these areas are 60 sports fields, 174 playgrounds and about 30 kilometres of off-road trails.

The community recognises that participation in recreation or leisure pursuits is an important element of a healthy lifestyle. Residents are fortunate to have access to a diverse range of leisure opportunities, covering a broad spectrum of active and passive recreation.

Highlights of 2009/10

- Progressed the review of the *Box Hill Gardens Masterplan* and completed a Directions Paper.
- Completed the development of a Landscape Concept Plan for Slater Reserve, Blackburn North.
- Completed the *Sustainable Management and Development Plan* for Whitehorse sports fields and associated facilities.
- Completed the design for the upgrade of the pavilion used by the Surrey Park Model Boat Club in Surrey Park, Box Hill.
- Completed concept and detailed design for a new raingarden in Gardiners Creek Reserve Local History Park, Burwood.
- Special Olympics Victoria held their State Summer Games in March 2010 at various venues in Whitehorse.
- Hosted successful events held including the Whitehorse Sports Awards, Parkland Community Forum, Community Bike Ride and South Eastern Skateboard League 2010 Series.

Challenges

- Managing the sustainability and use of sports fields under the ongoing drought conditions.
- Working with other government agencies to develop bicycle routes on their land.
- Working on meeting the aims of the *Whitehorse Open Space Strategy.*
- Managing requests from community groups for water-saving initiative such as the installation of water tanks.

Moving Forward

- Complete the *Box Hill Gardens Masterplan*.
- Commence a study of the physical equipment in parks.
- Complete major upgrade works to sport and recreation facilities at Wembley Park including an upgrade to the existing pavilion and construction of a new pavilion.

Spotlight

Special Olympics – 20 and 21 March 2010

The Special Olympics Victoria 2010 State Summer Games were held on the weekend of 20-21 March 2010 at a number of venues within Whitehorse. Special Olympics is an ongoing year-round training and competition for people with an intellectual disability. Whitehorse Mayor Cr Bill Pemberton opened the Games at a formal ceremony at the Bill Sewart Athletics Track, East Burwood Reserve. The Flame of Hope torch was brought into the arena by the Victoria Police Airwing. The helicopter landing created much excitement amongst the spectators. The Special Olympics State Summer Games lived up to the promise to be a truly inspirational community event for the 300 competing Victorian athletes plus families, carers, friends and the local residents. Sports included were athletics, aquatics, tennis, bocce, golf, softball and soccer.

HUMAN SERVICES:

Community Development

The Community Development Department provides a range of initiatives to improve the wellbeing, social connectedness, capacity and strength of the Whitehorse community. Examples of the work the department is involved in include social research, community profiling, policy development, strategic planning, capacity building, community strengthening, health promotion and specific projects with an emphasis on working in partnership to develop our community

Key focus areas include the *Community Wellbeing Plan*, the *Disability Policy and Action Plan*, the *Diversity Policy and Action Plan*, the *Reconciliation Policy and Action Plan*, the *Volunteer and Civic Participation Strategy*, community grants, Neighbourhood and Community Houses, Whitehorse Emergency Relief Network, senior citizens centres, social housing, responsible gaming, drug and alcohol issues, working with people with a disability and disability service providers, coordination of volunteers, Indigenous reconciliation, working with diverse and multicultural communities and community safety.

Highlights of 2009/10

- Coordinating a number of successful and highly attended community events: Seniors Festival, Harmony Day, Volunteer recognition function, Refugee Festival, Interfaith Forum, Women's Forum, Sorry Day flag-raising ceremony.
- Administration of the Community Grants Program and the successful funding of many local services and agencies through the program with the aim of delivering locally relevant and responsive initiatives.
- Resource and support provided to the Disability Advisory Committee, the Reconciliation Advisory Committee and the Whitehorse Interfaith Network.
- Organised and hosted the inaugural Whitehorse Volunteer Expo.
- Developed the *Whitehorse Community Wellbeing Plan 2009-2013*.
- Managed the two City of Whitehorse Scholarships that are available for students living in Whitehorse and in their first year at either Box Hill Institute of TAFE or Deakin University.

Challenges

- Potential relocation of the Forest Hill Community Resource Centre into new accommodation.
- Further strengthening collaborative working relationships across the municipality.
- Continue to actively engage with the local community to build capacity, strengthen the community and work towards inclusion and enhancing health and wellbeing outcomes.
- Promote the Whitehorse Scholarship Program more broadly.

Moving Forward

- Implement the *Whitehorse Community Wellbeing Plan 2009-2013*, the *Whitehorse Volunteer and Civic Participation Strategy* and a number of other key strategic plans.
- Continue to host Women's Forums.
- Redevelop the Whitehorse Affordable Housing Policy.
- Develop a community engagement framework.
- Host Community Safety Month activities in October 2010.

Spotlight

The Inaugural Whitehorse Volunteer Expo

The Whitehorse Volunteer Expo was held from 2pm-7pm on 18 November 2009 at Box Hill Town Hall. The expo opened with Whitehorse Mayor Councillor Bill Pemberton officially launching the *Volunteer and Civic Participation Strategy*.

The objectives of the expo were to:

- Promote opportunities for and strengthen volunteering in Whitehorse.
- Introduce the community to the newly created role of Council's Civic Participation and Volunteer Officer.
- Launch the *Volunteer and Civic Participation Strategy*.

Approximately 600 people attended the expo and 69 agencies and organisations provided stalls and information for the event. Feedback was very positive and indicated that both attendees and participants gained valuable insight and engagement from the event.

Council will host another similar expo in the future as this proved to be an effective approach to linking volunteers with relevant organisations.

HUMAN SERVICES:

Health and Family Services

Health and Family Services provides social support services to children, youth and families as well as public health services to all residents in the city. Services include the provision of 294 centre-based and 190 family day care-based childcare places for the community, six (maternal and child health) family centres that cater for more than 6000 families per year, numerous youth programs that attract more than 3000 young people, ten monthly immunisation clinics and a number of health protection services, including food safety and communicable disease management of businesses.

Highlights of 2009/10

- Provided eight parent information forums covering topical issues such as managing childhood behaviour, sibling rivalry, building resilience and self-esteem, sleep settling, school readiness and living harmoniously with your teenager.
- The Whitehorse Youth Representative Committee coordinated and successfully facilitated the Youth Stage at Spring Festival in October 2009.
- Successful implementation of the Baby Makes 3 program which provides first time families with relationship counselling, the aim being prevention of family violence.
- Council's Inclusion Support Facilitators provided outstanding support for more than 109 Commonwealth-funded childcare services over the past year. This support enables more than 200 families with special needs children in the community to be able to participate in these important community support programs.
- Council's Environmental Health team carried out more than 1500 food-safety assessments across 1050 food premises. This included 670 food businesses that are included in Council's 5 Star Hygiene Rating system.

Challenges

- The increased birth rate over the past 5 years continues to place additional pressure on services such as maternal and child health, centre-based childcare, family day care, kindergarten and immunisation.
- Managing the changes to childcare ratios introduced under state legislation will add to the future cost of childcare services as the new requirements are phased in over the next 3 years.
- The withdrawal on 1 July 2010 of the federal government's Careprovider $1500 Start-Up Payment which assisted newly recruited careprovider's with the considerable set up costs of establishing a home-based childcare service.
- Implementation of the Council of Australian Governments' reforms for early years' services.

Moving Forward

- Implement state government changes to food legislation that will modify the delivery of Council's management of food safety within the municipality.
- National Accreditation of Council's five long-day care centres and the home-based Family Day Care program.
- Implementation of the Victorian Government's Early Years Learning and Development Framework which pertains to improving the quality of child care and education outcomes.
- Implementing a clinical governance framework for maternal and child health which links all legal obligations and requirements to Council policies and procedures.
- Implement the actions and goals identified in the *Municipal Youth Plan* and *Municipal Early Years Plan*.

HUMAN SERVICES:

Home and Community Care

The Home and Community Care Department provides a range of in-home and community-based services for frail, vulnerable and isolated older persons, people with a disability and the primary carers of these residents. Services include home care, personal care, respite support, home maintenance, assisted transport, food services and social support programs. More than 4500 residents access Council's range of support services to assist them to remain living independently and to participate in community life.

The department also manages and provides support to residents at Council's Gowanlea Independent Living Units and Combarton Street Rooming House.

Highlights of 2009/10

- Increased the number of Community Aged Care Packages provided to Whitehorse residents for the provision of case management and service options.
- Increased the provision of home care, personal care, respite and spring cleaning services to eligible clients.
- Increased client assessment and review to improve pathways to services and the participation of eligible residents in decision making.
- Completed a number of projects and planning activities and research to support current service delivery and planning for our ageing community.
- Actively participated in local, statewide and national Aged Care planning opportunities.
- Enhanced partnerships and alliances with agencies and providers to improve client outcomes.

Challenges

- Planning and preparing for our active involvement in service planning and delivery as part of the National Health Reform change agenda.
- Balancing resident needs and expectations with regulatory legislative policy and funding changes and developments.
- Attracting and retaining qualified professional staff across all programs and activities in the department.
- Effectively advocating and attracting funding for Whitehorse and its ageing community.

Moving Forward

- Lead and participate in projects, networks and consultative structures that will ensure Whitehorse informs service development and planning to the benefit of its community.
- Ensure Council is well positioned to advocate for the specific needs of its ageing community by undertaking research, analysis and consultation with community.
- Continue to build and enhance community-based services to reduce isolation and promote independence.
- Implement the active service model in the provision of assessment and delivery of services.

HUMAN SERVICES:

Library Services (Whitehorse Manningham Libraries)

Public libraries support community knowledge, connection and engagement. Our libraries provide services and programs that enable community members to access and share ideas, learning, information and stories. Our libraries are welcoming and inclusive community spaces that are well used and accessible to all members of our diverse community.

Library services in Whitehorse are provided by the Whitehorse Manningham Regional Library Corporation with branch libraries located in Blackburn, Box Hill, Nunawading and Vermont South. Access to library services are available twenty-four hours a day, seven days a week at www.wml.vic.gov.au and an outreach service provides for housebound residents.

Highlights of 2009/10

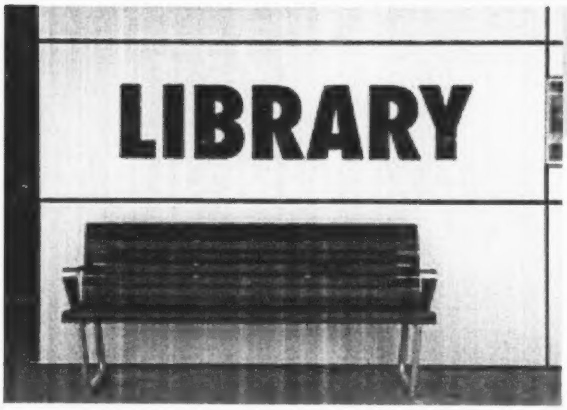
- Successfully applied for $347,000 funding from the Department of Planning and Community Developments' Living Libraries Program to upgrade Nunawading Library.
- Implemented a new integrated telecommunications system across the library branches to provide improved customer service.
- The Friends of Nunawading Libraries raised $13,000 to support the delivery of reading programs.
- Developed new Local Laws to regulate meeting procedures for the Library Board and the management and control of library services.
- Municipal Association of Victoria/Chartered Accountants Association Award for the best Annual Report 2008/09 in the Regional Library category.
- Successful Nunawading Reads, Blackburn Talks and Box Hill Author Talks series.
- Collaborative Book Buddies program provided by the Box Hill Library and Louise Multicultural Centre to develop migrant English literacy skills.

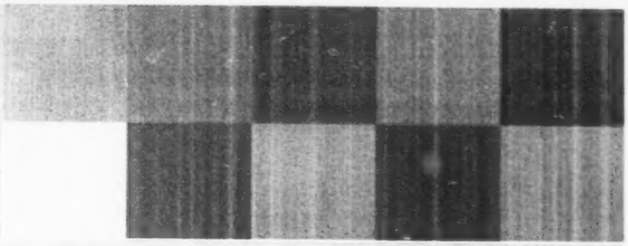
Challenges

- Meeting the growing demand for early literacy programs continues to be a challenge with number of attendances at youth programs continuing to increase over the past few years. For example, attendances at Blackburn youth programs increased by 12 per cent in 2009/10 compared to the previous year.

Moving Forward

- Completion of the Nunawading Library upgrade is anticipated in the second half of 2010. The refurbishment will create a more welcoming community facility including improved study, reading, programs and internet areas.
- Scoping for the redevelopment of Blackburn library.
- Winter Literary Festival with the library hosting 30 events over four months including author talks, Poetry Idol heat, book discussions and a Literary Lunch.





INFRASTRUCTURE:

Capital Works

The Capital Works Department has four key areas of responsibility:

- Planning and management oversight of Council's Capital Works Program.
- Project management of building capital works.
- Maintenance of Council's buildings.
- Development and implementation of Council's corporate Asset Management Strategy.

The five-year Capital Works Program, which is reviewed and modified annually, continues to provide guidance and direction on proposed expenditure across Council's major asset groups of roads, footpaths, drains, parks and buildings. The program gives funding priority to renewal and refurbishment projects to ensure Council's assets continue to provide an acceptable and safe level of service.

Highlights of 2009/10

- Met corporate targets for the delivery of the 2009/10 Capital Works Program and completed 242 individual projects with a combined value of $24.9 million.
- Managed capital works projects to the value of approximately $4.5 million, involving more than 50 projects. These projects included building construction and refurbishment works at Wembley Park Box Hill South, Holland Road Hall Blackburn South, City Oval Box Hill, Surrey Park West Pavilion, Box Hill Town Hall, the Whitehorse Centre, refurbishment works at three childcare centres and a wide range of environmentally-sustainable projects including many energy, water and solar initiatives.
- Successfully applied for federal and state government funding for renewal projects at Surrey Park Model Boat Club, Nunawading Library and the provision of rainwater harvesting facilities at Koonung Tennis Courts.
- Continued to make significant and measurable advances in asset management practices.
- Commenced response to the Commonwealth Government's new National Sustainability Framework with its modified assessment criteria for evaluating council's asset management capability.
- Project managed the multifaceted Wembley Park Redevelopment which remains on-budget and target for completion in October 2010.
- Installed solar powered energy plants at Box Hill Town Hall (7 kilowatt) and at Blackburn Lake Sanctuary (4 kilowatt) and installed a 200,000 litre water harvesting and recycling facility at Slater Reserve.
- Appointed a contract for the supply and implementation of the Whitehorse Asset Management System.
- Removed water cooling towers at the Whitehorse Civic Centre and Nunawading Library and replaced with an energy efficient air cooled HVAC plant.

Challenges

- Meeting the challenge of the Commonwealth Government's National Asset Framework on asset management.
- Ensuring continuing compliance with various building regulations and Essential Safety Measures.
- Meeting scheduled implementation milestones with the Whitehorse Asset Management System project
- Delivery of building capital projects on time and on budget.

Moving Forward

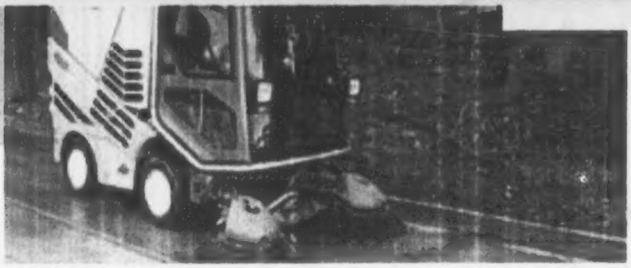
- Improving performance monitoring and reporting on capital works.
- Demonstrably increase staff capability with respect to asset management.
- Increase skill development across the department with the planning and delivery of ecologically sustainable development and sustainability initiatives in building projects.
- Improve data quality and management to support enhanced decision making across the entire organisation.
- Develop an integrated buildings register.

Spotlight

In November 2009 Council completed a tender process for the supply and implementation of the Whitehorse Asset Management System with the awarding of a tender to Infor Global Solutions (ANZ) Pty Ltd. This was followed by an implementation planning process which included the establishment of a project implementation team of 13 subject matter experts across Council, developing a Project Charter, running workshops to gather information, documenting requirements and learning from other Council's experiences through visits.

INFRASTRUCTURE:

City Works



The City Works Department is responsible for coordinating and managing maintenance works for Whitehorse's 700 kilometres of sealed roads, 1400 kilometres of footpath, 800 kilometres of underground drains, 34,000 drainage pits and 72 shopping centres. Other services provided by City Works include footpath construction, street furniture repair, street sweeping, litter bin waste collection, cleaning of pubic barbeques and toilets and picking up dumped rubbish.

Highlights of 2009/10

- Outstanding results in the CMP Audit for all services audited.
- Achieved an improved standard and quality of township cleansing.
- Successful delivery of the footpath capital works renewal program, including the completion of additional footpath replacement works incorporated into the program.
- Stage 2 of the Mitcham Road Capital Works footpath renewal project completed on time and on budget.
- Reviewed the signage and line marking programs for improved and effective delivery in alignment with Council's *Road Management Plan*.
- Reviewed the graffiti management program and developed a new initiative to deliver a range of quality programmed and reactive graffiti removal and cleansing services.
- Effectively coordinated and managed the After Hours Stand-by Crew.
- Further developed and strengthened relationship with VicSES Nunawading Unit.
- Undertook monthly job safety audit for all outdoor crew and contractors to ensure compliance with safe working practises.

Challenges

- Review Graffiti Management Program.
- Consistently inspecting and auditing contractor performance for high quality service delivery including footpath works, asphalt works, drainage repairs, line marking, barbeque cleansing, public toilet cleansing, street sweeping services and street litter bin collection.

Moving Forward

- Deliver routine and programmed maintenance works in accordance with the prescribed standards of maintenance applicable to local roads and pathways with the appropriate frequencies of inspection and relevant timeframes of Council's *Road Management Plan*.
- Finalise the GPS/GIS footpath asset inspection program to further improve advanced analysis of defect inspections.
- Appoint a graffiti removalist and continue to improve Council's graffiti program.

Spotlight

The City Works Department has been working closely with Council's Geographic Information System (GIS) Department to finalise the development and implementation of its advanced footpath defect identification system.

The inspection program utilises a high performance, sub meter mobile GPS data recorder to collect footpath hazard data. The field data is downloaded in the office and saved to a project folder where it undergoes post processing and is automatically corrected relative to known fixed positions.

The corrected data is then automatically updated directly into a footpath database, which is then on Council's internal online mapping system for reporting, viewing, querying and managing work orders compliant with Council's *Road Management Plan*.

The interim benefits achieved include the removal of significant backlog data entry, increased knowledge of levels of service enabling the review of the RMP, capture of high quality accurate defect data, efficient creation of work orders resulting in risk mitigation, enhanced management decision making and reporting.

The next steps involve full integration with Council's asset management system, enabling direct generation of work orders, automatic identification of high priority footpath defects, immediate creation of work orders to address the high priority defects in accordance with the RMP, advanced analysis of multiple years of data, identification of troublesome locations, enhanced reporting mechanisms and financial budgetary application.

INFRASTRUCTURE:

ParksWide

Whitehorse City Council has more than 690 hectares of open space, including parks, gardens, recreation reserves and trails combined with tree-lined residential streetscapes to form a pleasant urban environment. Council's ParksWide team provides maintenance of these extensive park and horticultural assets in close collaboration with Parkland Advisory Committees.

Major activities undertaken include maintaining and enhancing remnant bushland reserves, management and maintenance of street and park trees, general parks and gardens maintenance and horticultural services. ParksWide manages Council's nursery, maintains and manages Council's sports fields, including Box Hill City Oval, as well as maintaining playgrounds and other items of open space infrastructure.

HIGHLIGHTS OF 2009/10

- Won gold in partnership with Tree and Shrub Growers Victoria at the Melbourne International Flower and Garden Show.
- Major landscape upgrade completed at Walker Park including planting of 40 indigenous trees and over 3000 indigenous grasses, groundcovers and shrubs.
- More than 100 members of the community attended the National Tree Day at Collina Glen Reserve where more than 3000 local indigenous plants were planted.
- Reviewed the *Bushland Reserve Fire Management Strategy*.
- The Blackburn Lake Sanctuary Education Program Officer successfully delivered educational environment programs to community groups and schools.
- Continued the *Sustainable Drought Management Plan* for sports fields with the installation of drought-tolerant warm season grasses at Mahoneys Reserve South East, Mahoneys Reserve Football (Bob Saker), East Burwood North, Koonung West, Mirrabooka South.

Challenges

- Reduce reliance on potable water in maintaining Council's open spaces.
- Provision of quality sports fields to cater for ever increasing community need.
- Sustaining high quality service delivery with an increasing asset portfolio.
- Delivery of Council's *Bushland Reserve Fire Management Strategy*.

Moving Forward

- Continue to drought-proof Council's public gardens and sports fields.
- Continue to promote the environmental education programs to community and school groups.
- Engage five horticultural apprentices.
- Integrate Council's asset management system to ensure best practice management of open space assets.

INFRASTRUCTURE:

Recycling and Waste Centre

Whitehorse Recycling and Waste Centre is one of Melbourne's largest and busiest centres for general waste, green waste and recycling and has been in operation since 1981. The Recycling and Waste Centre is capable of collecting and transporting over 100,000 tonnes of waste per year to landfill. The centre also recycles over 20,000 tonnes of recyclable materials per year. Council places major emphasis on educating the community on the importance of recycling and protecting the environment for future generations.

Highlights of 2009/10:

- Continued to assess leachate and gas borehole monitoring system on old landfill site.
- Commenced developing a *Landfill Aftercare Management Plan*.
- Processed 9794.10 tonnes of green waste and timber for recycling and diverted from going to landfill.
- Completed installation of a new weighbridge and upgraded software and payment system to reduce waiting times.
- Extensive renewal and maintenance works on the existing weighbridge, pit, retaining walls, internal road and traffic management controls.
- Completed security improvement works with a new 16-camera CCTV system.
- Obtained compliance of the National Heavy Vehicle Accreditation scheme for Mass Management.
- Conducted and completed a full site safety audit and implemented all recommended changes.
- Purchased a new 963D Track Loader, a new Forklift to maximise material handling and sorting of recyclable materials, a new Volvo FM480 Prime Mover (Euro 4 Spec) and two new prime mover trailers with full remote control operation and cameras.

Challenges

- Find sustainable markets for recyclable materials such as polystyrene, plastic and e-waste.
- Investigate a *Fatigue Management Plan* for all staff at the Whitehorse Recycling and Waste Centre.
- Accommodate the needs of each account customers and maintain a high level of safety when using the facility.
- Continue to provide best practice in transfer station operations and the road transport industry.

Moving forward

- Continue to divert significant quantities of recyclable material from landfill and finding sustainable market for them.
- Keep up to date with new materials entering the market that have the potential to be recycled.
- Train all staff in fatigue management and raise awareness of their responsibilities.
- Implement a *Landfill Aftercare Management Plan* and continue monitoring this project.
- Investigate an on-site recycling shop for all reusable goods.

SECTION FOUR

Governance

Good Governance

Good governance is a vital part of local government and being accountable to the community. Good governance is identified in the *Council Plan 2010-2014*, reflecting Council's commitment to open and transparent government, acting with integrity and compassion and maintaining the highest level of good management.

Good governance provides residents with the confidence to know that their rates are being used wisely and that their democratically elected Councillors are making decisions based on proper processes and systems.

Council Meetings

Whitehorse City Council holds Ordinary and Special Council Meetings where Councillors, acting together to form Council, debate issues in a public forum and make decisions called 'resolutions'. Council officers then carry out these decisions.

COUNCIL MEETINGS

During the year, Council held 14 Ordinary Council Meetings and 11 Special Committee Meetings. The following is a list of Councillor attendances at each of these meetings.

Date	Type of Meeting	Councillor Attendance*
July 13, 2009	Special Committee	Cr Carr
July 20, 2009	Council Meeting	Cr Carr
August 10, 2009	Special Committee	Cr Koutras and Cr Stennett
August 17, 2009	Council Meeting	Cr Koutras
September 14, 2009	Special Committee	All present
September 21, 2009	Council Meeting	All present
October 12, 2009	Special Committee	All present
October 19, 2009	Council Meeting	All present
November 9, 2009	Special Committee	Cr Ellis
November 16, 2009	Council Meeting	Cr Chong
November 20, 2009	Special Council Meeting	All present
December 9, 2009	Special Statutory Meeting	All present
December 14, 2009	Council Meeting	All present
January 25, 2010	Council Meeting	All present
February 8, 2010	Special Committee	All present
February 15, 2010	Council Meeting	All present
March 9 , 2010	Special Committee	All present
March 15, 2010	Council Meeting	All present
April 12 , 2010	Special Committee	All present
April 19, 2010	Council Meeting	All present
May 10, 2010	Special Committee	Cr Chong and Cr Koutras
May 17, 2010	Council Meeting	Cr Koutras and Cr Carr
June 7, 2010	Special Committee Meeting – to consider Annual Budget Submissions	All present
June 21, 2010	Special Committee	All present
June 28, 2010	Council Meeting	All present

* *Name of Councillor/s not present at the meeting*

Performance Statement 2009/10

Whitehorse City Council is required under the *Local Government Act (1989)* to report on its key strategic activities identified in its Annual Budget 2009/10 and carried out in that year. These activities follow.

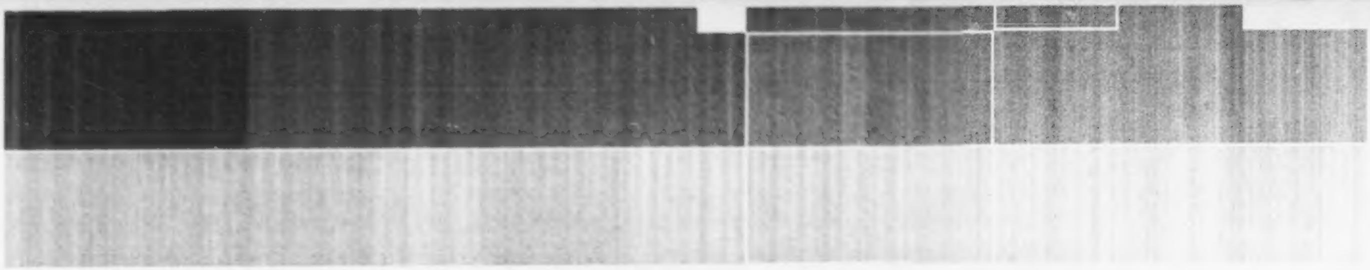
Strategic Objective

Serve and strengthen our diverse community to be inclusive, vibrant and engaged.

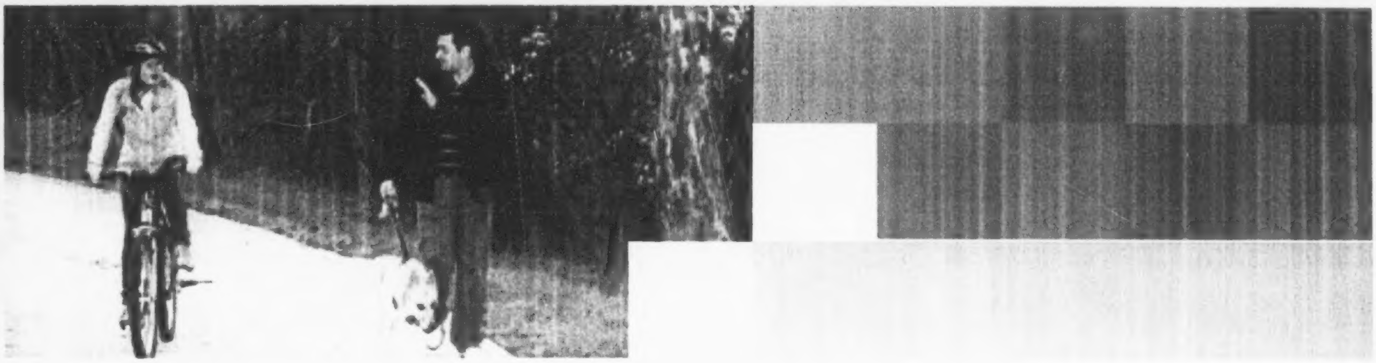
Activity	Indicator	Target	Target Achieved	Activity Explanation
The development and commencement of implementation of the *Whitehorse Early Years Plan.*	Establish a cross-Council and cross-community reference group.	Councillor-chaired group comprising Whitehorse City Council staff and representatives from community organisations.	Achieved	
	Establish a parent advisory group.	Inclusion of 6 parent representatives.	Achieved	
	Facilitate targeted consultation workshops.	3 workshops.	Achieved	
	Draft Plan adopted by Council.	December 2009.	Not Achieved	Completed and presented to Council for adoption in May 2010.
Develop and commence implementation of the *Whitehorse Municipal Public Health Plan.*	Establishment of a cross-Council and cross-community reference group.	Councillor-chaired group comprising Whitehorse City Council staff and representatives from community organisations.	Achieved	
	Facilitate targeted consultation workshops.	3 workshops.	Achieved	
	Draft Plan adopted by Council.	December 2009	Not Achieved	Completed. Final Plan presented to and formally adopted by Council in February 2010.

Promote, protect, enhance and respect the quality of our natural and built environments.

Complete the budgeted Capital Works Program.	Value of capital projects completed.	85%	Achieved	Completed. 90 per cent of Adopted Budget funding expended (excludes cancelled projects).
Introduce warm season grasses at sports fields.	Number of sports fields completed.	5	Achieved	Eight ground transfers were successfully completed.
Planning Scheme review.	Review completed.	June 2010	Achieved	Completed Review. Report adopted by Council at June 2010 Meeting.



Activity	Indicator	Target	Target Achieved	Activity Explanation
Climate Change Adaptation Plan.	Plan adopted by Council.	March 2010	Not Achieved	Preliminary draft *Climate Change Adaptation Plan* completed in June 2010. Further work was required to address risk and financial implications for Council. Draft plan to be considered at August 2010 Council meeting for public exhibition.
Develop a sustainability planning policy.	Policy completed.	February 2010	Achieved	Policy completed in February 2010. Approval to seek authorisation from the Minister for Planning to exhibit an amendment to incorporate the policy into the Planning Scheme was approved at the March 2010 Ordinary Council Meeting. The amendment has now been submitted by Council to the Minister for authorisation to exhibit.
Box Hill business district urban realm improvements.	Structure Plan key priorities.	June 2010	Achieved	Construction of Stage 2a Box Hill central median redevelopment completed June 2010. Laneways lighting design and CCTV infrastructure design completed by June 2010.
Implementation of bicycle infrastructure.	Increase in value of specific bicycle capital works projects.	Increase to $590,000	Achieved	Completed. $590,000 for specific bicycle capital works projects included in adopted Budget 2009/10. Expenditure on other bicycle infrastructure also included in adopted Budget.
100 per cent GreenPower purchased for street lighting.	100 per cent GreenPower purchased.	June 2010	Achieved	Completed. 100 per cent GreenPower for street lighting commenced in August 2009.
Trial collection of household items.	Trial completed and reviewed.	June 2010	Achieved	Completed. Trial was conducted from 11-22 May 2010 and review completed in June 2010.
Local renewable energy lighting project – Box Hill.	Project completed.	June 2010	Not Achieved	Completed feasibility report and selected solar panel option, procured solar panels, invertors and associated components, constructed footings and installed conduits by 30 June 2010. Delivery of poles was unexpectedly delayed because of unprecedented orders received by manufacturer. Poles installed and system commissioned in July 2010.

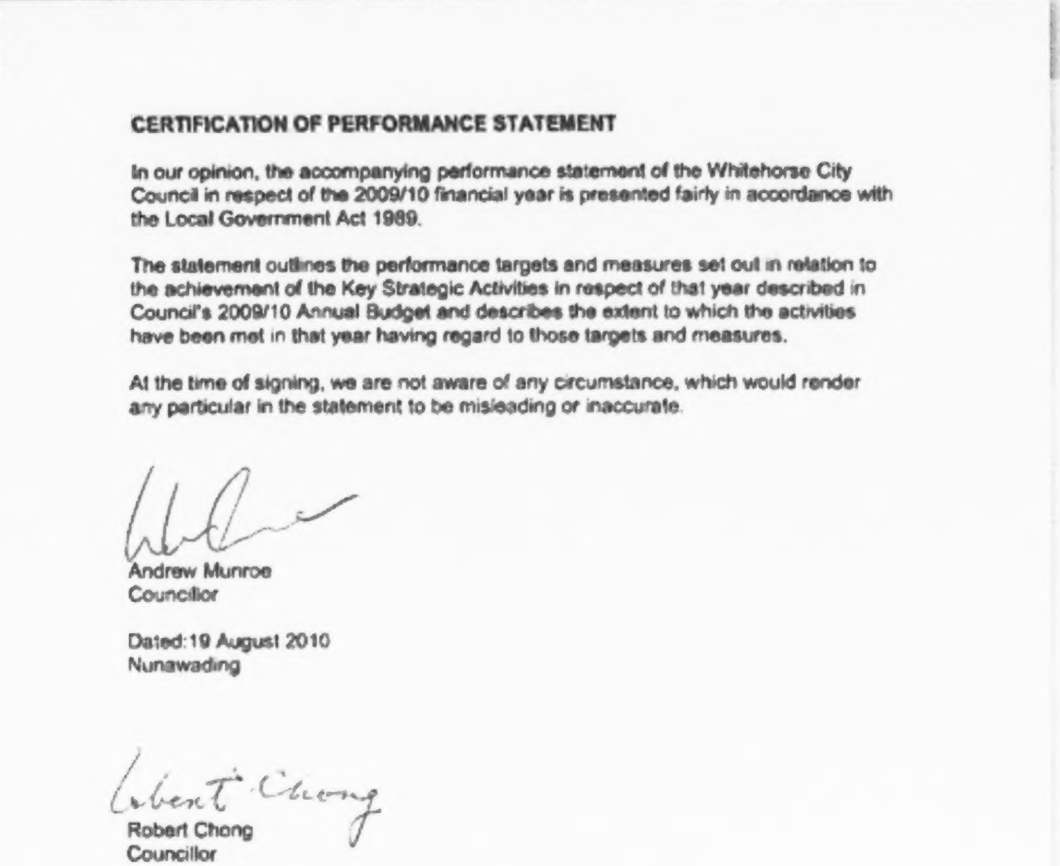


Deliver organisational excellence, visionary leadership and strong governance, through dedicated people, to ensure the best possible contribution to our community.

Activity	**Indicator**	**Target**	**Target Achieved**	**Activity Explanation**
Staff engagement and satisfaction.	Employee retention rate.	85%	Achieved	Current Employee Retention Rate is 96.94% for the quarter. The average turnover rate (averaged over the entire year) is 12.24%.
Customer Service Continuous Improvement Program.	Level of calls to Whitehorse answered with in 20 seconds.	85%	Achieved	Customer service answered 89.51% of calls within 20 seconds for year 2009/10. Customer improvement facilitation sessions complete. Communication Accountability Responsiveness Empathy Solution (CARES) program developed and endorsed by CEO, Executive Management Team and Managers. A training provider will deliver the program in conjunction with Organisation Development and Customer Service across the organisation by October 2010.
Domestic Animal Management Plan.	Consultation undertaken with key stakeholders on the benefit of introducing compulsory desexing of cats and dogs and prepare a report for Council consideration.	June 2010	Achieved	At the Ordinary Council Meeting on 28 June Council adopted a number of recommendations outlined in year two of the *Domestic Animal Management Plan*.
Develop an essential services program.	Program implemented.	June 2010	Not Achieved	Preliminary draft *Essential Safety Measures Strategy* completed June 2010. More detailed work was then required to address risk and legal implications to Council. The final draft will be considered for public exhibition at the Ordinary Council Meeting in September 2010.

Support a prosperous, diverse and healthy local economy that contributes to the wellbeing of our community.

Urban realm improvements.	MegaMile implementation next stage improvements.	June 2010	Achieved	Works completed in April 2010.
Develop a *Whitehorse Retail Strategy*.	Strategy completed.	June 2010	Not Achieved	The draft strategy will be completed by 30 June 2010 and will be considered for public exhibition at the Ordinary Council Meeting in September 2010.



CERTIFICATION OF PERFORMANCE STATEMENT

In our opinion, the accompanying performance statement of the Whitehorse City Council in respect of the 2009/10 financial year is presented fairly in accordance with the Local Government Act 1989.

The statement outlines the performance targets and measures set out in relation to the achievement of the Key Strategic Activities in respect of that year described in Council's 2009/10 Annual Budget and describes the extent to which the activities have been met in that year having regard to those targets and measures.

At the time of signing, we are not aware of any circumstance, which would render any particular in the statement to be misleading or inaccurate.

Andrew Munroe
Councillor

Dated:19 August 2010
Nunawading

Robert Chong

Robert Chong
Councillor

Dated: 19 August 2010
Nunawading

Chief Executive Officer
Noelene Duff

Dated: 19 August 2010
Nunawading

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Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Whitehorse City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2010 of Whitehorse City Council which comprises the statement, the related notes and the Certification of Performance Statement has been audited

The Councillors' Responsibility for the Performance Statement

The Councillors of Whitehorse City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the performance statement that is free of material misstatement, whether due to fraud or error

Auditor's Responsibility

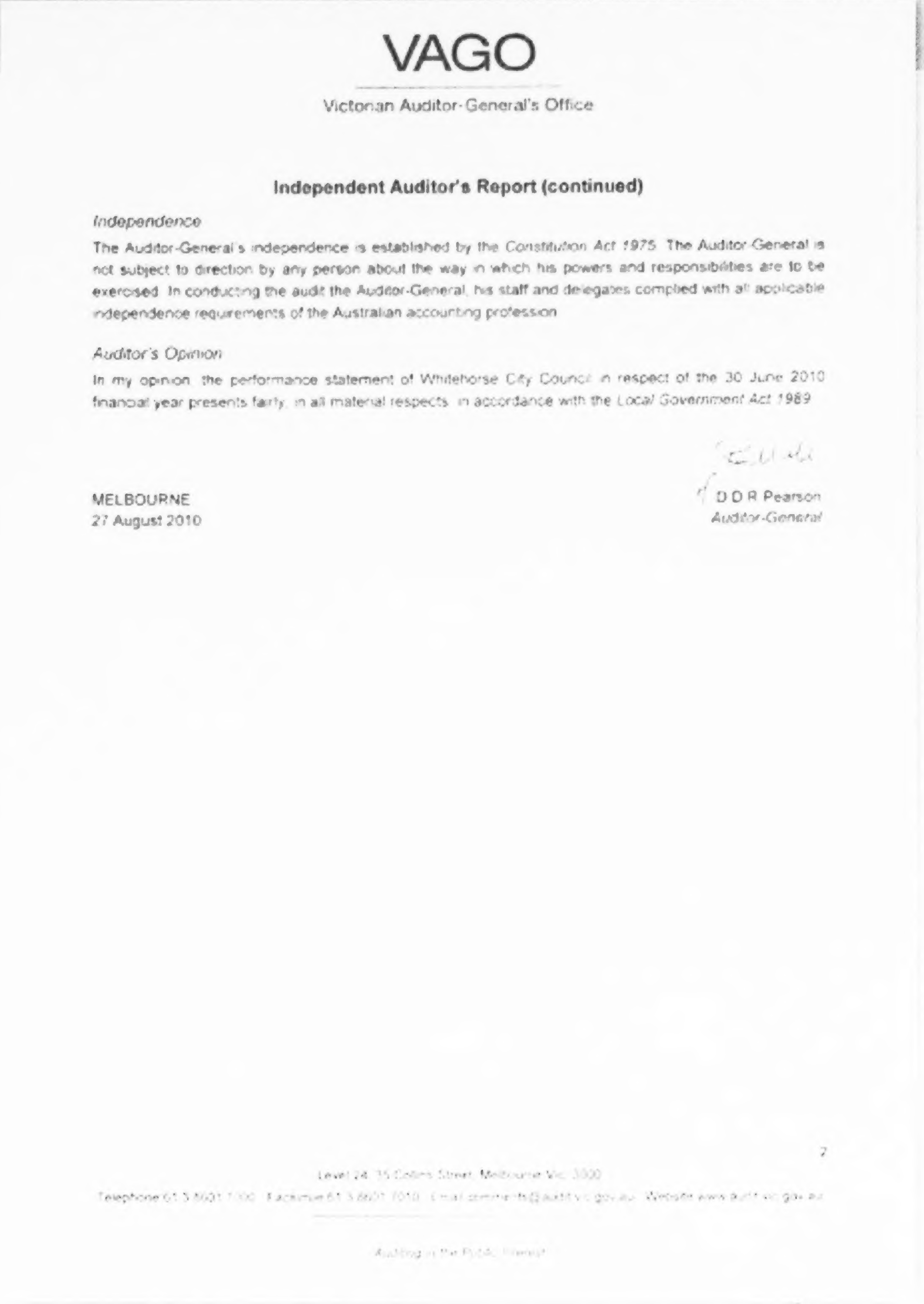
As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the performance statement is free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the performance statement

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion

Matters Relating to the Electronic Presentation of the Audited Performance Statement

This auditor's report relates to the performance statement published in both the annual report and on the website of Whitehorse City Council for the year ended 30 June 2010. The Councillors are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited performance statement to confirm the information included in the audited performance statement presented on Whitehorse City Council website



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Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the performance statement of Whitehorse City Council in respect of the 30 June 2010 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
27 August 2010

D D R Pearson
Auditor-General

Best Value Program

Having completed its five-year program of Best Value Service Reviews in accordance with the requirements of section 208 of the *Local Government Act (1989)*, Council now embarks on an ongoing program of review based on a strategic approach. This report provides information on Council's approach to Best Value and on the status and outcome of Best Value Service Reviews carried out in the 2009/10 financial year. Information on Council's approach to Best Value and the timetable for the conduct of the service reviews, is located on Council's website at www.whitehorse.vic.gov.au/Good-Governance.html

Council's Approach to Best Value

Council is required by the *Local Government Act (1989)* to comply with the Best Value principles and to this end will take a strategic approach to the application of the Best Value Principles on an ongoing basis. These reviews are expected to take account of the Best Value principles enshrined in Section 208B of the Act, namely:

- The need for services to deliver against agreed quality and cost standards.
- Services being responsive to changing community needs.
- Accessibility of services to those who need them.
- Continuous improvement in the delivery of services.
- Community consultation on services and activities.
- Regular annual reporting to the community on Council's performance.

Further, section 208C of the Act requires Council to take account of these factors when developing its quality and cost standards:

- The best on offer in the public and private sectors.
- Value for money.
- Community expectations and values.
- Balance of affordability and accessibility.
- Opportunities for local employment growth.
- Partnership building with other levels of government.
- Environmental sustainability.

Three fundamental principles guide the implementation of Best Value at Whitehorse City Council, namely:

- The Best Value process at Whitehorse City Council is used to ensure that all of the city's services and activities provide high quality and good value for money to the community.
- Council is committed to ensuring that, where appropriate, the services being provided by Council staff continue to be delivered internally unless it can be demonstrated that it would be better value to the community for these services to be provided by others.
- The Best Value process is implemented in accordance with the Victorian Government's *Competitive Neutrality Policy Victoria (2000)*.

Conduct of Best Value Service Reviews

Each Best Value Service Review is conducted by the relevant work team and led by their manager. Managers and teams are supported in this process through the use of a common review template and the provision of a central resource that provides information, advice and training. Service reviews have three distinct stages:

Stage One

- Service Analysis
- Describe service
- Describe current service levels

▼

Stage Two

- Service Model
- Needs analysis
- Compare service against best on offer in public and private sectors
- Develop draft standards on Service levels, cost and quality
- Community consultation

▼

Stage Three

- Advice to Council
- Method for service delivery
- Service provider option
- Risk and impact
- Market maturity
- Council approval of service model

At the conclusion of each service review, Council receives a report that contains:

- A description of existing service standards and a proposed method of service delivery, with defined service levels and cost and quality standards that have been benchmarked and tested through consultation.
- An analysis of the service delivery options available, including an analysis of the maturity of the market, a risk assessment of each option and an assessment against Competitive Neutrality policy.
- Advice on the preferred service delivery option.

With the completion of Council's first 5-year program of reviews in June 2004, and in the light of the outcomes of the review of the Best Value Program undertaken for the Victorian Government by the Best Value Commission, Council has reviewed its approach to the conduct of service reviews.

Council has found the service review process beneficial in enabling it to ensure that services meet the changing needs of the community and in providing an opportunity to compare its performance with like services in the public and private sectors. Council will continue to apply the Best Value principles when conducting service reviews and continue to report to the community on the outcomes of its reviews through reports to Council and annual reports on the implementation of Best Value placed on Council's website.

In terms of the development of a program of reviews, Council will take a strategic approach to the conduct of reviews, identifying services for review on the basis of:

- Significance in achieving Council's strategic goals.
- Capacity to lead to significant improvement in service delivery.
- Changes in community satisfaction with the service.
- Changes in community expectations or demands for the service.
- Alterations in government policy that have major ramifications for service delivery.
- The length of time that has lapsed since the previous review.

Progress of Service Reviews

Council has completed its 5-year program of service reviews. In 2006-2007 Council commenced its ongoing program of service reviews, which are currently in progress as listed below:

Service	**Completion Date of Review**
Community Development	December 2010
Workshops and Stores	October 2010
Building Services	October 2010
Transport (Aged and Disability)	April 2011
Civic Centre Amenities	October 2010
Whitehorse Arts Space	December 2010
Waste and Recycling Service (*Waste Management Plan 2004* Review)	March 2011
Customer Service Reviews	Ongoing
Community Laws	June 2011
Strategic Planning Services	Completed June 2009

Outcome of Completed Service Reviews

As the Service Reviews have commenced, they are at this time reviews in progress and not yet completed. The outcomes of the Best Value Service Reviews, commenced in 2009-2010, will be reported in the next Best Value Annual report for 2010/2011.

Best Value Reporting on Performance

For the completed Service Reviews, the cost and quality standards are included within the reports and reviewed and approved by Council's audit committee and endorsed by Council at Ordinary Council meetings. The reports and Minutes of the Council meetings are available on the website or contact Council administration on 9262 6338 for assistance in accessing the relevant reports.

National Competition Policy Compliance: 2009-10

Certification by Chief Executive Officer

Whitehorse City Council has complied with the requirements of the National Competition Policy (NCP) for the period 1 July 2009 to 30 June 2010, in accordance with the requirements outlined in *National Competition Policy and Local Government – A Revised Statement of Victorian Government Policy, December 2008 (2008 Statement)* as set out below

A. Trade Practices Compliance *State whether the Council is compliant or non-compliant. If non-compliant, justify or cite actions to redress*	Compliant
B. Local Laws Compliance *State whether the Council is compliant or non-compliant. List all local laws made or remade during 2009-10 which impose a restriction on competition*	Compliant No changes were made to the City of Whitehorse Community Local Law No. 1 2006 during 2009/10.
C. Competitive Neutrality Compliance *State whether the Council is compliant or non-compliant for all significant businesses. List any significant businesses that are non-compliant*	Compliant Council does not have any significant businesses that are non-compliant

I certify that:

a) this statement has been prepared in accordance with the 2009-2010 National Competition Policy reporting guidelines, which is pursuant to the *2008 Statement*; and

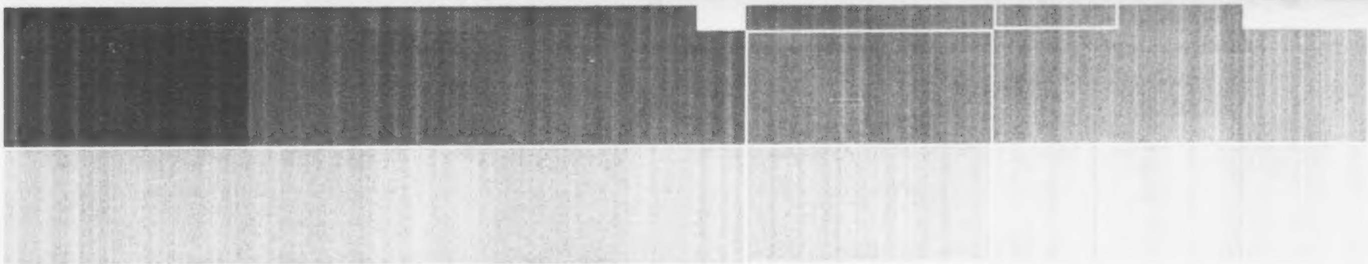
b) this statement presents fairly the Council's implementation of the National Competition Policy

Signed

____

Noelene Duff

Date ________________



At the conclusion of each service review, Council receives a report that contains:

- A description of existing service standards and a proposed method of service delivery, with defined service levels and cost and quality standards that have been benchmarked and tested through consultation.
- An analysis of the service delivery options available, including an analysis of the maturity of the market, a risk assessment of each option and an assessment against Competitive Neutrality policy.
- Advice on the preferred service delivery option.

With the completion of Council's first 5-year program of reviews in June 2004, and in the light of the outcomes of the review of the Best Value Program undertaken for the Victorian Government by the Best Value Commission, Council has reviewed its approach to the conduct of service reviews.

Council has found the service review process beneficial in enabling it to ensure that services meet the changing needs of the community and in providing an opportunity to compare its performance with like services in the public and private sectors. Council will continue to apply the Best Value principles when conducting service reviews and continue to report to the community on the outcomes of its reviews through reports to Council and annual reports on the implementation of Best Value placed on Council's website.

In terms of the development of a program of reviews, Council will take a strategic approach to the conduct of reviews, identifying services for review on the basis of:

- Significance in achieving Council's strategic goals.
- Capacity to lead to significant improvement in service delivery.
- Changes in community satisfaction with the service.
- Changes in community expectations or demands for the service.
- Alterations in government policy that have major ramifications for service delivery.
- The length of time that has lapsed since the previous review.

Progress of Service Reviews

Council has completed its 5-year program of service reviews. In 2006-2007 Council commenced its ongoing program of service reviews, which are currently in progress as listed below:

Service	Completion Date of Review
Community Development	December 2010
Workshops and Stores	October 2010
Building Services	October 2010
Transport (Aged and Disability)	April 2011
Civic Centre Amenities	October 2010
Whitehorse Arts Space	December 2010
Waste and Recycling Service (*Waste Management Plan 2004* Review)	March 2011
Customer Service Reviews	Ongoing
Community Laws	June 2011
Strategic Planning Services	Completed June 2009

Outcome of Completed Service Reviews

As the Service Reviews have commenced, they are at this time reviews in progress and not yet completed. The outcomes of the Best Value Service Reviews, commenced in 2009-2010, will be reported in the next Best Value Annual report for 2010/2011.

Best Value Reporting on Performance

For the completed Service Reviews, the cost and quality standards are included within the reports and reviewed and approved by Council's audit committee and endorsed by Council at Ordinary Council meetings. The reports and Minutes of the Council meetings are available on the website or contact Council administration on 9262 6338 for assistance in accessing the relevant reports.

National Competition Policy Compliance: 2009-10

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b) this statement presents fairly the Council's implementation of the National Competition Policy

Signed

Noelene Duff

Date

Risk Management

Risk Management is an organised and structured method of identifying, evaluating and treating risks associated with Council's activities, functions and processes. The process seeks to minimise risk and maximise opportunities for Council. Supported and directed by Council's *Risk Management Policy and Strategy*, the process assists the organisation to fulfill its corporate objectives.

The *Risk Management Policy and Strategy* is based on empowering individual departments to document the identification, assessment and treatment of risks using a common standard and technology, underpinned with training and support from the Risk Management Unit.

Council has a training program to equip staff with the necessary skills to undertake their responsibilities with respect to Risk Management. A Risk Management newsletter is circulated quarterly highlighting relevant topical issues and advice.

A Risk Management Committee comprising members of the Executive Management Team, support managers and chaired by the Chief Executive Officer monitors the operation of Council's *Risk Management Policy and Strategy*. The committee reports to the Audit Committee.

Risk Management is supported by a computer software package to assist departments in recording, rating and monitoring risk across Council. The software package has been enhanced during the year to allow easier input of data and improved reporting.

Council is subject to external monitoring of its risk performance by regular insurer audit reviews.

Liability and Property Audit

Council's Liability and Property Insurers audits Council's systems and processes to identify, evaluate and control liability risks. Due to significant improvements in Council's commitment to embedding risk management in its planning along with improvements in *Road Management Plan* inspections, Council has improved its state ranking to the top third of Councils in Victoria.

The audit involves site inspections looking at fire prevention, detection, suppression and protection against windstorm and rainwater damage along with security measures.

Sports, Council and Community Facility Risk Management Support

Support has been provided during the year with inspections and resultant recommendations provided to various Council departments looking at such issues as sport field hardness, stray cricket, football and baseball balls and general surface safety, position, design and layout. A presentation was conducted during the year to Council contractors highlighting Council's expectations in the area of Risk Management.

Emergency Management

The Victorian *Emergency Management Act (1986)* requires that each municipal Council prepare and maintain a *Municipal Emergency Management Plan (MEMP)*. Whitehorse City Council's MEMP addresses how to prepare, respond to and recover from emergencies and natural disasters within the municipality.

Whitehorse is generally a low risk area however storm, flood damage, major transport emergencies or chemical spillage may require an appropriate and prompt response. It is important for the community to be aware of how the MEMP operates and what to do in an emergency.

The MEMP has been developed by the Municipal Emergency Management Planning Committee, which has representatives from a number of emergency services including Police, Metropolitan Fire Brigade, Victorian State Emergency Service, Department of Human Services, medical professionals and others. The MEMP recognises the inevitability of the economic and social effects of emergencies including fatalities, destruction of property and dislocation of individuals and communities.

Under the MEMP many services can be called in to assist manage an emergency, including Ambulance and Fire Services, local councils, service authorities, Department of Human Services, other state and federal government departments and service organisations such as Red Cross. These organisations all have a specific role to play that depends on the nature of the emergency.

The broad objectives of the MEMP are to:

- Implement measures to prevent or reduce the causes or effects of emergencies.
- Manage arrangements for the utilisation and implementation of municipal resources in response to emergencies.
- Manage support that may be provided to or from adjoining municipalities.
- Assist the affected community(s) to recover after an emergency.
- Complement other local, regional and state planning arrangements.

Whitehorse City Council MEMP is a plan for managing municipal resources and coordinating community support to assist affected members of the community to recover from an emergency.

This includes:

- The provision of emergency relief.
- The provision of resources during the response and recovery phases.
- Municipal assistance to agencies during the response and recovery phases.
- Assessing the impact of an emergency.

Recovery activities within the municipality in consultation with Department of Human Services and other agencies.

Audit Advisory Committee

Council's Audit Advisory Committee receives regular reports on the organisation's Risk Management position and performance. This committee reviews the effectiveness of Council's Risk Management direction and activities and reports to Council on its findings and recommendations for enhancement and improvement.

Corporate Information

Whistleblowers Protection Act 2001

The *Whistleblowers Protection Act (2001)* encourages and facilitates the making of disclosures of improper conduct or detrimental action by public officers and public bodies. The Act provides protection to the person or people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and for rectifying action to be taken.

In accordance with the Act, Council adopted detailed procedures for dealing with any disclosures it may receive. Copies of these procedures are available for inspection at Council's service centres and on Council's website.

As required by Section 104 of the *Whistleblowers Protection Act (2001)*, Council reports that:

- Procedures under Part 6 of the Act to deal with any disclosures made under the Act were established. These procedures are available to the public.
- One disclosure alleging improper conduct was received during the 2008/09 year.
- One disclosure was referred to the Ombudsman for determination as to whether it was a public interest disclosure.
- Nil matters were referred to Council during the year by the Ombudsman.
- Nil matters were referred during the year by Council to investigate.
- Nil investigations of disclosed matters were taken over by the Ombudsman from Council.
- Nil requests were made by a person under Section 74 of the Act to the Ombudsman to investigate disclosed matters referred to Council.
- One matter regarding improper conduct was disclosed that Council declined to investigate following advice from the Ombudsman's Office.
- Nil matters were fully investigated and finalised to the satisfaction of the Ombudsman's office.
- Nil recommendations were made by the Ombudsman under the Act to Council.

Freedom of Information

Since January 1994, Council has been subject to the *Freedom of Information Act (1982)*, which provides the community with access to documents in the possession of the Council, subject to various exemptions and exceptions.

For the period 1 July 2009 to 30 June 2010 there were:

- 11 requests made regarding Freedom of Information.
- 8 occasions when part access was granted.
- 3 requests in various stage of process at June 2010.

There were no requests to the Principal Officer for an internal review. There were no appeals to the Victorian Civil and Administrative Tribunal relating to requests processed throughout the year.

The provisions of the Act under which the above decisions were made were:

- Access denied in part – Sections 30(1), 31(1), 32(1), 33(1), 35(1), of the Freedom of Information Act 1982.

The names and designation of the officers with authority to make a decision on a request are A. (Tony) De Fazio, Manager Civic Services and Jenny Russell, Team Leader Governance. The Principal Officer is the Chief Executive Officer Noelene Duff.

Information available for Public Inspection

Section 222 of the *Local Government Act (1989)* entitles any person to inspect and take copies (subject to a fee) of prescribed accounts and records. The following are prescribed accounts and records that may be accessed at Council offices during normal working hours:

- Annual Report for each financial year.
- Annual Financial Statements, including:
  - an Operating Statement;
  - a Statement of financial position; and
  - notes to the financial statements.
- Budget or Revised Budget for the current financial year.
- Current copy of the Council Plan.
- Local Laws and Orders for the city.
- Details of allowances fixed for the Mayor and Councillors under Section 74 and 74A of the *Local Government Act (1989)*.

- Details of senior officers' total salary packages for the current financial year and the previous year including the gross salary, the amount of the Council or employer contribution to superannuation, the value of any motor vehicle provided by Council and the total value of any other benefits and allowances provided by Council.
- Details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost of the overseas or interstate travel.
- Names of Council officers who are required to submit a return of interest during the financial year and the dates the returns were submitted.
- Names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted.
- Agendas and Minutes of Ordinary and Special Meetings held in the previous 12 months kept under Section 93 of the Act except if the Minutes relate to parts of meetings that have been closed to members of the public under Section 89 of the Act.

- A list of all Special Committees established by Council and the purpose for which each committee was established.
- A list of all Special Committees established by Council which were abolished or ceased to function during the financial year.
- Minutes of meetings of Special Committees established under Section 86 of the Act and held in the previous 12 months except if the Minutes relate to parts of meetings which have been closed to members of the public under Section 89 of the Act.
- A register of delegations kept under Sections 87, 88 and 98 of the Act, including the date on which the last review under section 98(6) of the Act took place.
- Submissions received in accordance with Section 223 of the Act during the previous 12 months.
- Agreements to establish regional libraries under Section 196 of the Act.
- Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease.
- Register of authorised officers appointed under Section 224 of the Act.
- A list of donations and grants made by Council during the financial year including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant.
- A list of the names of the organisations of which Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by Council.
- A list of contracts valued at $100,000 (or such higher amount as is fixed from time to time under section 186(1) of the Act) or more, which the Council entered into during the financial year without first engaging in a competitive process and which are not contracts referred to in Section 186(5) of the Act.

Audit Advisory Committee 2009/10

The role of Whitehorse City Council's Audit Advisory Committee is to have an overview of the financial, management and system controls in place to protect Council's assets. This is not a decision-making forum but performs a review function. On occasions the committee may refer matters to the Council for decision.

Membership

The Audit Advisory Committee comprises two appointed Councillors and two independent persons with industry experience. The current independent member of this committee and Chairperson is Mr Michael Said who was appointed in July 2004. Mr Said is also Chairperson of the Audit Committees of both Greater Dandenong and Moorabool Councils and an independent member of both the Whittlesea City Council Audit Committee and the Chisholm Institute of TAFE Audit Committee. The second independent person is Mr Ray Liggett, appointed in November 2006. The Chief Executive Officer is required to be present at the meeting and the General Manager Corporate Services attends each meeting unless advised to the contrary. The internal auditor is invited to each meeting and the external auditor may be invited where appropriate.

Audit Advisory Committee Members:

Chairperson/independent member – Mike Said.
Independent member – Ray Liggett.
Councillor representative – Cr Andrew Munroe.
Councillor representative – Cr Robert Chong OAM.

Internal Audit

Through a competitive tendering process, Council appointed PricewaterhouseCoopers Chartered Accountants as its internal auditors for a three-year period (July 2009 to June 2012). PricewaterhouseCoopers performed a risk assessment of Council's operations and recommended a three-year audit program to cover these aspects. Lisa Woolmer, Engagement Leader and Kushal Shah, Engagement Manager are the PricewaterhouseCoopers representatives.

The Audit Advisory Committee adopted the internal audit work program for a three-year period and receives reports from the internal auditor on these issues. The Audit Advisory Committee also receives update reports in relation to any previous matters raised by the internal auditors to ensure that these are adequately addressed.

External Audit

The external auditor is the Victorian Auditor-General who has appointed the accounting firm WHK Horwath to conduct the annual statutory audit. The Audit Advisory Committee also reviews the responses from the officers in respect of matters raised by other audit reports such as the due diligence audits and the annual statutory audit and monitors the progress of the officers in dealing with these items. The minutes of the Audit Advisory Committee are distributed to all Councillors and a report on audit issues is reported in the quarterly management report following each audit meeting. The committee met five times during the 2009/10 financial year.

Internal Auditor

Lisa Woolmer PricewaterhouseCoopers.

External Audit Service Provider

Victorian Auditor-General represented by Margaret Crossley
WHK Horwath.

Audit Risk Plan Reviews in 2009/10

As part of the *2009-12 Audit Risk Plan*, the Audit Advisory Committee received review reports on the following:

- 2008-09 Annual Report and Audit Management Letter.
- Whistleblower policies and procedures.
- Tendering and Contract Management.
- Management of Leisure Centres.
- Open space maintenance.

Local Laws and Orders

To help maintain the amenity of the municipality and safety of the community, Council administers a series of state government legislation and Council-developed Local Laws and Orders.

The Community Local Law No. 1 2006 and Order No. 2 – Animal Control have been designed to address local issues at a local level. These controls put in place minimum community standards in the areas of waste management, animal control, use of public areas and the protection of Council assets.

The aims of Council's Community Local Law No.1 2006 are to:

- Provide for the peace, order and good government of the municipal district.
- Regulate or control activities related to the use or enjoyment of, or work on, Council assets.
- Protect the health, safety and enjoyment of persons who:
  - reside in or visit the municipal district; or
  - use or work on Council assets.
- Protect community property and Council assets from damage and ensure that such property or Council asset is in a state fit for its intended or likely use.
- Regulate or control conditions or activities that are detrimental, or that may cause detriment, to the:
  - amenity or environment of the municipal district;
  - health and safety of any person; or
  - safety of any property.
- Prevent annoying and unreasonable conditions or activities that interfere with, or may cause interference with, the reasonable use by, or enjoyment of, residents, or any other person, of roads or other facilities under the care and management of Council.
- Ensure that the keeping of animals or birds at any property within the municipal district is reasonable and that places in which animals or birds are kept are maintained in a clean condition.
- Ensure that public health or nuisance problems do not occur due to unsatisfactory practices in caring and providing proper and clean facilities for animals or birds, which are kept at any property within the municipal district.
- Require the removal of animal faeces so that public health, nuisance or environmental problems are avoided.

- Regulate the collection and disposal of defined items of household refuse, recyclable goods and hard garbage, so that:
  - public health and safety and nuisance problems are avoided;
  - amenity of local areas is protected; and
  - orderly collection arrangements are facilitated.
- Regulate storage of trade waste so that:
  - public health and safety and nuisance problems are avoided; and
  - amenity of local areas is protected.
- Regulate transportation of refuse, rubbish or waste matter, so that:
  - public health and safety and nuisance problems are avoided; and
  - amenity of local areas is protected.
- Regulate the use of Council's Recycling and Waste Centre so that public health and safety and nuisance problems are avoided.
- Minimise potentially adverse environmental impacts of waste accumulation, collection or disposal.

Council's Order No. 2 – Animal Control establishes a series of standards in the management and control of dogs in public areas. The order recognises that dogs are an important part of our community and people of all ages enjoy walking and exercising their dogs in parks across the municipality. The Order requires that all dogs being exercised in public areas must be on a lead or similar device of no more than 1.5 metres in length unless it is in a designated dog off-lead park. There are currently 19 off-lead parks in Whitehorse where dog owners can responsibly exercise their animals without the requirement of keeping them on a lead. These areas are located across the municipality.

Within the off-lead parks there are certain areas such as picnic areas and playgrounds as well as organised sporting events that are designated for use by other members of the community. Dog owners are required to keep their animals, when off lead, a minimum 50 metres from these areas.

On 28 June 2010 Council adopted three new Orders to become effective in 2010/11. These are:

- From 10 April 2011 all cats and dogs being registered for the first time in Whitehorse (unless exempted) must be desexed.
- From 1 October 2010 all cats must contained to their owners property from 8pm to 6am.
- From 1 October 2010 cats must not enter designated bushland reserves.

Council meetings are regulated by Local Law No. 14 Meeting Procedures and Common Seal (Adopted by Council on 16 November 2009). The purpose of this law is to assist in effective council meetings and community engagement.

Local Law No. 14 provides for the following:

- To regulate proceedings for the election of the Mayor.
- To regulate proceedings of Ordinary and Special Meetings of Council.
- To regulate proceedings of Special Committees.

Promote and encourage community participation in the system of local government by providing mechanisms within the meeting arrangements, for the Council to ascertain the community's views and expectations.

- To regulate and control the use of Council's Common Seal.

Memberships

Organisation	Amount (excl GST)
Aquatics Recreation Victoria	$900.00
Association for Children with a Disability	$30.00
Australian Council of Social Service	$140.91
Australian Japan Society of Victoria	$363.64
Australian Local Government Women's Association Inc.	$70.00
Australian Performing Arts Centres Association	$450.00
Australian Property Institute	$1352.73
Community Child Care	$330.00
Council on the Ageing Victoria	$454.55
DX Mail	$4600.00
Early Childhood Australia	$231.82
Eastern Transport Coalition	$8000.00
Eco Buy	$1310.00
Economic Development Australia	$1090.91
Family Day Care Victoria Incorporated	$519.53
International Society of Arboriculture Australia Chapter	$673.64
Local Government Finance Professionals	$490.91
Local Government Managers Australia	$1152.27
Metropolitan Transport Forum	$1500.00
Municipal Association of Victoria	$54,791.82
Municipal Works Officers Association	$250.00
Our Community	$177.27
Parks and Leisure Australia	$402.55
Print Council of Australia Inc.	$336.36

Organisation	Amount (excl GST)
Property Council of Australia	$4490.91
Sister Cities Australia	$500.00
Stormwater Victoria	$400.00
Survey Monkey	$219.00
TaxEd	$813.64
The Playground and Recreation Association of Victoria	$400.00
VicSport	$250.00
Victorian Association of Performing Arts Centres	$900.00
Victorian Local Government Association	$26,800.00
Volunteering Victoria Inc.	$90.91
Waste Management Association of Australia	$613.64

Cash Grants and Donations

The following community groups and individuals received a grant from Council during the year:

Organisation	Amount (excl GST)
1st/8th Blackburn Scout Group	$500
Acacia Youth Group	$470
Asian Business Association of Whitehorse	$20,000
Barriburn Preschool Assoc Inc.	$500
Bennettswood Neighbourhood House	$21,800
Benwerrin Preschool Association	$1000
Bor Community Association	$2000
Box Hill Citizens Advice Bureau	$8000
Box Hill Greek Elderly Citizens Club	$600
Box Hill Historical Society Inc.	$514
Box Hill Hospital Cancer Support Group	$500
Box Hill Italian Senior Citizens Club Inc.	$500
Box Hill Senior Citizens Club Inc.	$500
Box Hill South Neighbourhood House	$21,800
Buckanbe Park Advisory Committee	$2000
Burke and Beyond Further Education	$3000
Burwood Neighbourhood House	$21,800
Cambodian Community Welfare Centre Inc.	$1000
Ceramics Victoria	$1500
Chinese Community Social Services Centre	$4500
Chinese Health Foundation of Australia	$5000
Choral Institute Melbourne (CHIME) Inc.	$3000
Circolo Anziani of Whitehorse Club Ltd	$1000
Circolo Pensionati Italiani - Nunawading	$1200
City of Whitehorse Band	$1000
Clota Cottage Neighbourhood House	$21,800
Communities Council on Ethnic Issues Inc.	$500
Cypriot Community Eastern Suburbs Elderly Citizens	$1200
East Burwood Pre School	$600
East Victorian Highland Dancing Association	$500
Eastern Access Community Health	$41,500
Eastern Community Legal Centre	$5000
Eastern Emergency Relief Network Inc.	$7000
Eastern Polio Support Group Inc.	$500
Eastern Recreation and Leisure Services Inc.	$9000
Eastern Suburbs Photographic Society Inc.	$1000
Eastern Volunteer Resource Centre Inc.	$7000
Eastmont Pre-school Association Inc.	$1000
Eley Park Community Association	$33,400
Family Access Network (2)	$5000
Family Access Network Inc.	$28,300
Florence Road Pre School Centre	$1000
Greek and Cypriots Elderly Citizen's Club of Whitehorse and District	$1200
Greek Elderly Citizens Club of Nunawading	$1200
Greek Orthodox Community of Box Hill and District Elderly Citizens Club	$1200
Independent Senior Citizens Club of Nunawading	$1200
Indochinese Elderly in the Eastern Suburbs Inc.	$1200
JCI Whitehorse Maroondah (Jaycees)	$600
Jing Song Senior Chinese Men's Inc.	$1200
Katrina Pre-School Association Inc.	$1000
Kerrimuir Neighbourhood House	$21,800
Kew Junior Hockey Club	$1230
Koonung Cottage Community House Inc.	$21,800
Lao Australian Welfare Association	$1000
Life Activities Club Whitehorse Inc.	$1000
Linc Whitehorse Inc.	$600
Lions Club of Forest Hill Inc.	$250
Lions Club of South Vermont Inc.	$2000
Louise Multicultural Community Centre	$19,400
Mang-Non Vietnamese Language School Association Inc.	$300
Maroondah Singers Inc.	$500
Migrant Information Centre	$5500

Organisation	Amount (excl GST)
Mitcham Community House Family Violence Program	$14,000
Mitcham Community House Inc.	$27,600
Mitcham Legacy Widows Club	$250
Mt Pleasant Uniting Church Elderly Day Care Centre	$500
Neighbourhood Watch Area WHS038	$300
Neighbourhood Watch, Area WHS 032, Reg 4, Div 2	$300
Nieuw Holland Social Club Inc.	$600
Nunawading Hungarian Senior Citizens Club Inc.	$600
Nunawading Toy Library Inc.	$5000
Parkside Pre-school Inc.	$200
Probus Club of Blackburn Central Inc.	$450
Rangeview Preschool Association Inc.	$1000
Reach Out for Kids	$146,200
Resident sporting grants	$500
Rotary Club Preston - Circus Quirkus	$300
Royal Human Society of Australasia	$200
Senior Citizens of the Greek Community of Forest Hill	$1200
St Augustine's Anglican (Little Hippos Playgroup)	$600
St Francis Xavier Autumn Friendship Club	$250
St Francis Xavier Playgroup	$240
St Paul's Playgroup (Playgroup Victoria)	$700
St Peters Anglican Kindergarten Box Hill	$500
St Thomas' ESL classes Bennettswood	$529
Taralye Kindergarten	$2000
Terra Firma Inner East Mental Health	$414
The Avenue Neighbourhood House Inc.	$27,600
Tuesday Tots Playgroup	$300
U 3 A Nunawading Incorporated	$1000
Uniting Care East Burwood Centre	$50,000
Variety Club Special Christmas Party	$1000
Vermont Elderly People's Homes Inc.	$750
Vermont South Community House	$27,600
Vermont South Community House Toy Library	$1000
Victorian Continence Resource Centre	$2279
Victorian Hua Xin Chinese Women's Association	$2000
Victorian Multi Ethnic Welfare Association	$500
Victorian Obedience Dog Club Inc.	$998
Wesley Do Care Eastern	$500
Whitehorse Community Chest	$11,000
Whitehorse Community Health	$1000
Whitehorse Community Indigenous Plant Project	$1000
Whitehorse Cyclists	$1200
Whitehorse Friends for Reconciliation Inc.	$3100
Whitehorse Historical Society	$1500
Whitehorse Integrated Holiday Program Inc.	$18,000
Whitehorse Older Persons' Action Group Inc.	$1000
Whitehorse Orchestra Inc.	$1000
Whitehorse Pre-School Association	$25,300
Whitehorse Showtime	$1300
Woodhouse Grove Kindergarten	$1000
Total	**$758,524**

Discount Support

Whitehorse City Council provided discounted support to the following groups throughout the year:

Organisation	Discount Support 2009/10
Aglow Australia - Melbourne	$521
Alkira Centre	$1490
Antonio Park Primary School	$250
Arts Nunawading Inc.	$174
Australian Children's Choir	$834
Australian Red Cross - Blackburn Unit	$856
Australian Red Cross - Nunawading Division	$294
Australian Rhododendron Society - Victorian Branch	$872
Australian Woodturning Exhibition	$2594
Babirra Music Theatre Inc.	$12,834
Barriburn Pre-school Assoc Inc.	$200
Ben Lion Opportunity Shop	$750
Bennettswood Neighbourhood House	$154
Better Hearing Australia (Vic) Inc.	$73
Box Hill AA Group	$1206
Box Hill Art Group	$7968
Box Hill Ballet	$1772
Box Hill Ballet Association Inc.	$6845
Box Hill Choral Society Inc.	$1791
Box Hill Citizens Advice Bureau	$75
Box Hill City Band Inc.	$2243
Box Hill Clayworkers	$3847
Box Hill Community Gardens Inc.	$88
Box Hill Community Gardens	$200
Box Hill Hand Spinners and Weavers	$4404
Box Hill Historical Society Inc.	$307
Box Hill Horticultural Society and Floral Art Group	$4261
Box Hill Hospital Volunteer Services	$672
Box Hill International Soccer Club	$423
Box Hill Life Drawing	$273
Box Hill Lions Club	$300

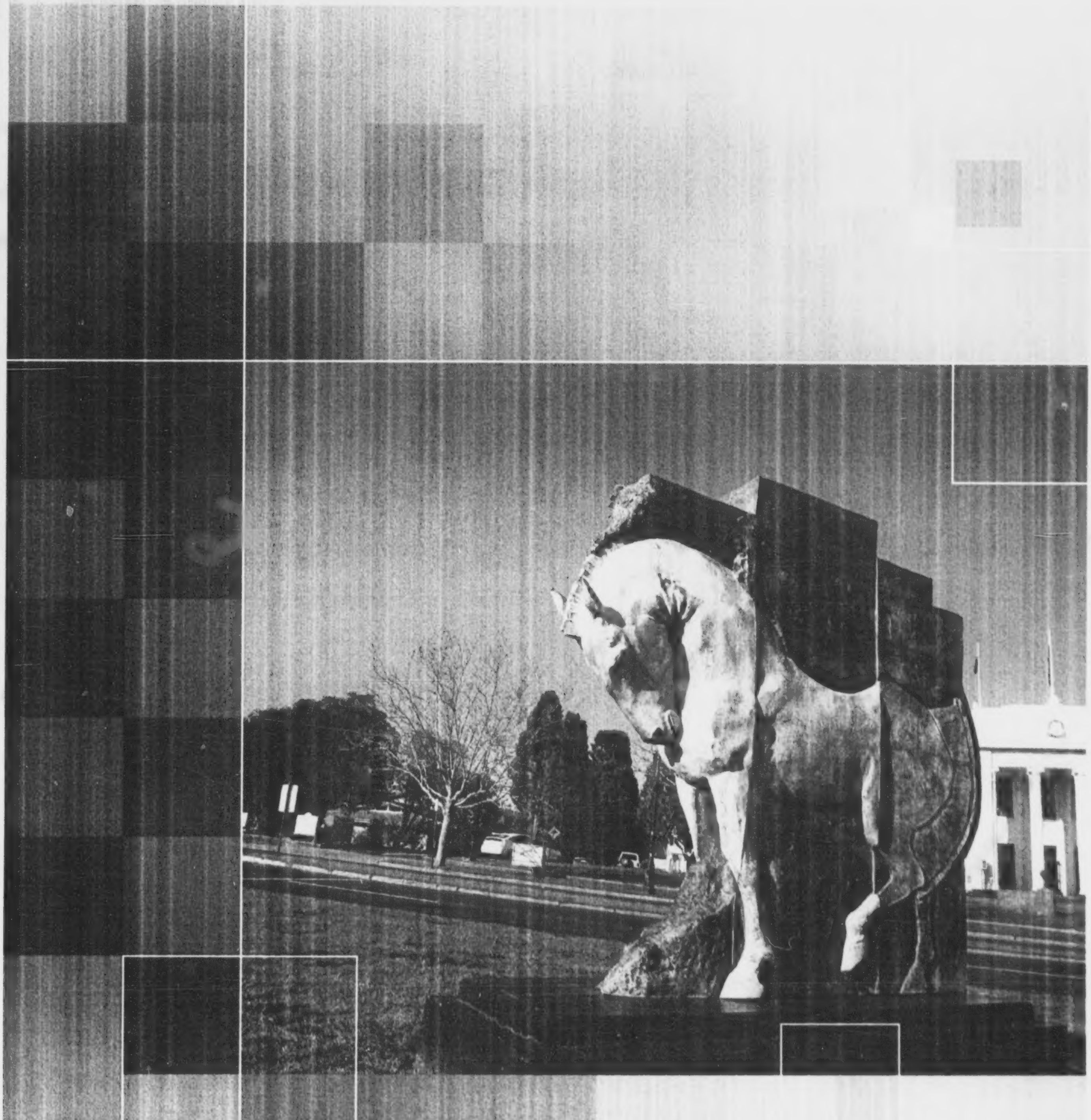
Organisation	Discount Support 2009/10
Box Hill North Football Club	$1144
Box Hill Russian Senior Citizens	$2465
Box Hill Seniors Tai Chi	$2790
Box Hill South Pre-school Centre Inc.	$1859
Cake Decorators Association of Victoria	$142
Cancer Voices Victoria Inc.	$71
Centre for Multicultural Youth	$109
Ceramics Victoria	$982
Cerebral Palsy Education Centre Inc.	$1659
Chinese Cancer Society of Victoria Inc.	$1743
Choral Institute Melbourne (CHIME) Inc.	$3693
Circolo Pensionati Italiani - Nunawading	$6222
City of Whitehorse Band	$1578
Combined Probus Club of Whitehorse Inc.	$1014
Combined Rotary Clubs of Whitehorse	$600
Compass Care	$500
Contemporary Women Painters	$1630
Cypriot Community Eastern Suburbs Elderly Citizens	$7043
Designer Art Shop Association Inc.	$370
Doncare Community Services Brentford Square Op Shop	$200
Dru Ferdinand's Fundraising Committee	$1582
Duke of Edinburgh's Award	$211
East Burwood Pre-school - free tipping	$150
Eastern and Mountain District Radio Club	$1181
Eastern Community Legal Centre Inc.	$1240
Eastern Districts Aquarium Society Inc.	$2051
Eastern Emergency Relief Network Inc.	$5007
Eastern Suburbs Scale Modelling Club Inc.	$458
Eastmont Pre-school - free tipping	$400
Eley Park Community Association	$50
Family Access Network	$191

Organisation	Discount Support 2009/10
Floral Art Society of Victoria	$538
Florence Road Pre-school Centre	$1425
Forest Hill Ladies Probus Club Inc.	$887
Forest Hill Secondary College	$458
Greek and Cypriots Elderly Citizen's Club of Whitehorse and District.	$4315
Greek Elderly Citizens Club of Nunawading	$4148
Hand Tool Preservation Association of Aust. Inc.	$436
Heritage Roses in Australia Inc.	$215
Hovercraft Club of Victoria	$200
Immigrant Women's Domestic Violence Service	$218
Independent Senior Citizens Club of Nunawading	$4314
Jasmine Dance Group	$1227
Knitting for the Needy	$285
Koonung Cottage Neighbourhood House	$1229
Laburnum Primary School Parents Group	$1808
Ladies Probus Club of Nunawading Inc.	$887
Ladies Probus Club Vermont South Inc.	$508
Larch Street Kindergarten	$482
Linc Whitehorse Inc.	$950
Lions Club of Blackburn North Inc.	$750
Lions Club of Box Hill	$10,221
Lions Club of Mitcham	$1627
Lions Club of Vermont south	$500
Lions Den Opportunity Shop	$500
Louise Multicultural Community Centre	$100
Maroondah Singers Inc.	$459
Marquetry Society of Victoria Inc.	$637
Melbourne Ai-Yue Melbourne Choir Inc. (and ladies association)	$1113
Melbourne Audio Club	$1418
Melbourne Children's Chinese Choir Inc.	$970
Melbourne Chinese Choir	$1176
Melbourne Chinese U3A	$1376
Melbourne Numismatic Society Inc.	$400
Melbourne Push Hands Club	$731
Melbourne Taiwan Ladies Association	$1395
Migrant Information Centre	$873
Morris Register of Victoria Inc.	$737
Nadrasca	$1634
Needlework and Tapestry Guild of Victoria Inc.	$2793
Nova Music Theatre Inc.	$15,111
Nunawading Community Gardens Inc.	$584
Nunawading Hungarian Senior Citizens Club Inc.	$2752
Nunawading Pipe Band Inc.	$773
Orana Opportunity Shop	$500
Orchid Species Society of Vic	$695
Our Lady's of Perpetual Succour Wattle Park Primary School	$1820
Papermakers of Victoria Inc.	$423
Parkside Pre-school Inc.	$623
Perwira Inc. (The Indonesian Society of Victoria)	$2727
Polish Senior Citizen's Club of Doncaster	$2876
Probus Club of Blackburn South	$761
Probus Club of Forest Hill	$944
Probus Club of Mitcham	$1950
Probus Club of Mitcham Orchards	$1773
Probus Club of Nunawading	$1178
Resilient Kids - Wesley Mission	$374
Roberts McCubbin Primary School	$586
Rotary Club of Box Hill - Art Show	$7493
Rotary Club of Mitcham - Rotary Clothesline OP Shop	$600
Royal Horticultural Society of Victoria Bulb Group	$461
Royal Society for the Prevention of Cruelty to Animals	$2500
Senior Citizens of the Greek Community of Forest Hill	$16,592
St Andrew's Greek Orthodox Elderly Citizens Club	$4315

Organisation	Discount Support 2009/10
St James Kindergarten	$572
St Peters Anglican Kindergarten Box Hill	$200
St Philips Primary School	$1588
St Thomas Anglican Church - Hall Hire	$182
Surrey Hills Primary School Parent's Fundraising Committee	$1554
Surrey Park Junior Football Club Inc.	$1647
Taiwanese Women's Dancing Club	$1522
The Boite (Vic) Inc.	$1419
U 3 A Nunawading Incorporated	$20,000
Vermont Cancer Research Fundraiser	$1570
Vermont Floral Art Group	$768
Vermont Garden Club Inc.	$591
Vermont Primary School	$585
Vermont South Community House	$200
Vermont South School of Physical Culture Inc.	$749
Whitehorse Boroondara Community Radio	$1493
Whitehorse Film Society	$2245
Whitehorse Friends for Reconciliation Inc.	$157
Whitehorse Orchestra Inc.	$3233
Whitehorse Pioneers Football Club	$1085
Whitehorse Showtime (Scout and Guide event)	$6290
Whitehorse Toastmasters Club Inc.	$3072
Whitehorse/Box Hill National Seniors Association	$1067
Yooralla Society	$321
Total	**$281,367**

SECTION FIVE

Financial Report



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UNDERSTANDING OUR ANNUAL FINANCIAL REPORT

The Annual Financial Report is one of Council's key reports to the community. It shows Council's financial performance during the year and the financial position at the end of the year.

Council's Annual Financial Report has been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standard Board (AASB), and therefore particular terms under the standards may not be familiar to some readers. Further, as Council is a 'not for profit' organisation, certain terms used in private sector company reports are not appropriate to Council's reports.

Council is committed to accountability. For this reason this simple guide has been developed to assist readers understand the Annual Financial Report.

WHAT IS CONTAINED IN THE ANNUAL FINANCIAL REPORT?

Council's Annual Financial Report contains the following sections:

- Standard Statements
- Certification of the Standard Statements
- Financial Statements
- Notes to the Financial Statements
- Certification of the Financial Report
- Auditor-General's Independent Auditor's Report

These sections are described in more detail below.

STANDARD STATEMENTS

The Standard Statements comprise the following:

- Standard Income Statement
- Standard Balance Sheet
- Standard Cash Flow Statement
- Standard Capital Works Statement

Each of the Standard Statements compares the actual figures with budget. It also shows the variance between actual and budget in dollar and percentage terms.

Standard Income Statement

The Standard Income Statement shows the financial performance of Council during the financial year.

The Standard Income Statement shows:

- **Total revenue** – This refers to revenue earned from normal operations and includes rates, user fees and charges, grants and subsidies, interest income and other income.
- **Total expenses** – This refers to expenses incurred from normal operations and includes employee benefits, materials and services, depreciation, interest expense and other expenses.
- **Underlying result** – This is calculated as total revenue less total expenses. The underlying result is calculated before non-recurring items. A positive result represents a surplus and indicates that revenues were greater than expenses. A negative result represents a deficit and indicates that expenses were greater than revenues.
- **Surplus (deficit) for the year** – This is the net result for the year. It is the underlying result after non-recurring items. Non-recurring items include capital income, non-monetary contributions (developer contributions in the form of land and drainage), net gain (loss) on disposal of assets, share of net gain (loss) of associates. This figure is referred to as "profit or loss" in most private sector company reports.

Standard Balance Sheet

The Standard Balance Sheet is a snapshot of Council's financial position at the end of the financial year. It shows what Council owns as assets and what it owes as liabilities. Assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due in the next 12 months. The components of the Standard Balance Sheet are explained below.

Current and non-current assets include:

- **Cash and cash equivalents** – This includes cash held in banks and petty cash. It also includes Council's cash investments in term deposits and managed funds.
- **Trade and other receivables** – This represents monies owed to Council by rate payers, parking debtors and other debtors.
- **Other assets** – This includes inventories and prepayments.
- **Investments in associates** – This represents the value of Council's ownerships and investments in Regional Landfill Clayton South, Whitehorse Manningham Regional Library Corporation and Narre Warren User Group.
- **Property, infrastructure, plant and equipment** – This is the most significant component of Council's worth and includes land, buildings, roads, drainage, land improvements, plant and machinery, equipment, furniture and fittings, other structures and the art collection.

Current and non-current liabilities include:

- **Trade and other payables** – This represents monies owed to creditors by Council, income received in advance and deposits held in trust.
- **Employee benefits** – This represents annual leave and long service leave employee entitlements.
- **Interest-bearing loans and borrowings** – This relates to loans and borrowings from financial institutions.

UNDERSTANDING OUR ANNUAL FINANCIAL REPORT (CONTINUED)

Net assets is calculated as total assets less total liabilities and represents the net worth of Council, which has been built up over many years. Net assets equals total equity.

The components of total equity are:

- **Accumulated surplus** – This refers to the value of all net assets accumulated over time less funds transferred to other reserves.
- **Asset revaluation reserve** – This is the difference between the previously recorded value of assets and their current valuations.
- **Other reserves** – This comprises various reserves where funds have been allocated from the accumulated surplus for specific purposes.

Standard Cash Flow Statement

The Standard Cash Flow Statement shows Council's cash inflows and cash outflows for the year. It shows the movement in cash and cash equivalents, which comprise cash at bank and on hand, cash held in term deposits, and cash held in managed funds.

Council uses the Standard Cash Flow Statement in conjunction with the rest of the Standard Statements to evaluate changes in net assets, analyse the financial structure (including the liquidity and solvency of Council), and make decisions concerning the amounts and timing of cash flows in order to adapt to changing circumstances and opportunities.

The figures in the Standard Cash Flow Statement are different to the figures in the Standard Income Statement as the Standard Income Statement is prepared on an accruals basis. This means that revenue is recognised when earned and expenses are recognised when incurred, regardless of when the cash is actually received or paid.

The Standard Cash Flow Statement reports cash flows during the year classified as operating, investing or financing activities. These are discussed below:

- **Cash flows from operating activities** – This relates to revenue-producing activities. It includes receipts from rates, user fees and charges, grants and subsidies, interest received, and other income. This is offset by payments for employee benefits, materials and services and other expenses.
- **Cash flows from investing activities** – This relates to transactions associated with the acquisition and disposal of long-term assets and other investments. It includes proceeds from the sale of assets and payments for the acquisition of assets.
- **Cash flows from financing activities** – This relates to transactions associated with loans and borrowings and includes loan repayments and interest payments.

Standard Capital Works Statement

The Standard Capital Works Statement is a summary of the spending on capital works. It shows a breakdown of the spending by area including buildings, roads, drainage, street trees, parks, urban improvements, and plant and equipment. The Standard Capital Works Statement also splits the total capital works spending into renewal or new. Renewal spending refers to spending on existing assets through renewing, restoring, and replacing existing assets.

The Standard Capital Works Statement also provides a reconciliation of the movement in property, infrastructure, plant and equipment.

FINANCIAL STATEMENTS

The Financial Statements comprise the following:

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow Statement

The figures in the Comprehensive Income Statement, Balance Sheet and Cash Flow Statement are the same as the figures in the Standard Income Statement, Standard Balance Sheet and Standard Cash Flow Statement respectively. The main difference between the Financial Statements and the Standard Statement is that the Financial Statements compare the actual 2009/10 figures with that of prior year, whereas the Standard Statements compare the actual 2009/10 figures with budget.

Another difference in relation to the Comprehensive Income Statement is that it is presented differently to the Standard Income Statement in that it does not distinguish between recurring and non-recurring items. Rather, all items are treated as either revenue or expense, with the net result being the surplus (deficit) for the year. Unlike the Standard Income Statement, there is no underlying result. The Comprehensive Income Statement also shows other comprehensive income for the year, which are transactions recorded directly in equity.

The last major difference between the Financial Statements and the Standard Statements is the Statement of Changes in Equity. The Statement of Changes in Equity shows the total comprehensive income for the year, which consists of the surplus (deficit) for the year and any other comprehensive income (asset revaluations), and transfers between accumulated surplus and other reserves. The Statement of Changes in Equity equates to the movement in net assets as shown in the Balance Sheet.

UNDERSTANDING OUR ANNUAL FINANCIAL REPORT (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS

The Notes to the Financial Statements contain information in addition to that presented in the Financial Statements. It should be read together with other parts of the Financial Report to get a clear picture of Council's financial performance and financial position.

The Notes provide narrative descriptions or disaggregations of items presented in the Financial Statements. The Note references are shown beside the relevant items in the Comprehensive Income Statement, Balance Sheet and the Cash Flow Statement.

The Notes also provide an explanation of Council's significant accounting policies (see Note 1 of the Annual Financial Report). Where Council wishes to disclose other information relevant to the reader's understanding that is not presented elsewhere in the Financial Statements, it is shown in the Notes.

CERTIFICATION OF THE STANDARD STATEMENTS & FINANCIAL REPORT

The Certification of the Standard Statements and the Certification of the Financial Report are made by the Principal Accounting Officer, the Chief Executive Officer and two Councillors on behalf of Council.

The certification by the Principal Accounting Officer is made by the person responsible for the preparation of the Standard Statements and Financial Report. It certifies that in their opinion, the reports have met all the statutory and professional reporting requirements.

The certification by the Chief Executive Officer and representative Councillors certifies that in their opinion, the Standard Statements and Financial Report are presented fairly and are not misleading or inaccurate.

AUDITOR-GENERAL'S INDEPENDENT AUDITOR'S REPORT

The Auditor-General's Independent Auditor's Report provides the reader with a totally independent opinion on the Standard Statements and Financial Report. The opinion covers both the statutory and professional reporting requirements and also the fairness aspects of the reports.

STANDARD INCOME STATEMENT
COMPARISON REPORT FOR THE YEAR ENDED 30 JUNE 2010

	Budget $'000	Actual $'000	Variance $'000	Variance %	Ref
REVENUE					
Rates	67,524	67,953	429	0.6	
User fees and charges	32,478	32,549	71	0.2	
Grants and subsidies	14,947	15,084	137	0.9	
Interest income	2,300	3,898	1,598	69.5	1
Other income	541	758	217	40.1	2
Total revenue	**117,790**	**120,242**	**2,452**	**2.1**	
EXPENSES					
Employee benefits	49,623	49,080	543	1.1	
Materials and services	42,438	41,854	584	1.4	
Depreciation	21,340	20,066	1,274	6.0	3
Interest expense	230	230	-	0.0	
Other expenses	7,038	7,165	(127)	(1.8)	
Total expenses	**120,669**	**118,395**	**2,274**	**1.9**	
Underlying result	**(2,879)**	**1,847**	**4,726**	**164.2**	
Capital income	1,410	4,004	2,594	184.0	4
Contributions - non-monetary	-	2,733	2,733	100.0	5
Net (loss) on disposal of property, infrastructure, plant and equipment	(116)	(341)	(225)	194.0	
Share of net (loss) of associates	-	(1,122)	(1,122)	100.0	6
Surplus (deficit) for the year	**(1,585)**	**7,121**	**8,706**	**549.3**	

STANDARD INCOME STATEMENT

COMPARISON REPORT FOR THE YEAR ENDED 30 JUNE 2010

Explanation of variances in the Standard Income Statement

1. **Interest income**: Interest income was higher than budget as a result of higher than anticipated investment rates and investing funds for longer maturities in line with Council's investment strategy. Council's budget forecasted average returns of 4.00%, however, actual returns ranged between 4.25% and 6.35%.
2. **Other income:** The variance is due to the receipt of non-voter fines of $0.092m and Workcover reimbursements from Council's insurer for staff in receipt of Workcover weekly compensation benefits of $0.099m.
3. **Depreciation**: The reduction in depreciation is primarily due to an increase in the remaining useful lives of road infrastructure assets following a detailed review of the useful lives at the end of 2008/09.
4. **Capital income:** Capital income was higher than budget as additional federal and state government grants were received for capital works projects. They include $1.1m for the upgrade of the Wembley Park Pavilion and the early receipt of $1.0m for the redevelopment of Aqualink Box Hill where the expenditure will be incurred in 2010/11.
5. **Contributions – non monetary**: Developer contributions in the form of land or infrastructure are not included in the budget as they are typically one-off in nature. During 2009/10, contributions of land (public open space) and drainage were received and required to be recognised as income. Refer to the Annual Financial Report Note 5(b).
6. **Share of net loss of associates:** The share of net loss of associates is not able to be reliably estimated when the budget is being developed. As such, no results are estimated for any investments in associates. The significant share of net loss of associates of $1.122m is mainly due to Council's share of the revaluation decrement of property, plant and equipment recognised by Regional Landfill Clayton South of $0.965m. Refer to the Annual Financial Report Note 18(a).

STANDARD BALANCE SHEET
COMPARISON REPORT AS AT 30 JUNE 2010

	Budget $'000	Actual $'000	Variance $'000	Variance %	Ref
ASSETS					
Current assets					
Cash and cash equivalents	71,722	78,681	6,959	9.7	7
Trade and other receivables	8,108	7,057	(1,051)	(13.0)	8
Other assets	-	348	348	100.0	
Total current assets	**79,830**	**86,086**	**6,256**	**7.8**	
Non-current assets					
Trade and other receivables	442	271	(171)	(38.7)	
Investments in associates	8,287	7,075	(1,212)	(14.6)	9
Property, infrastructure, plant and equipment	1,652,315	1,840,412	188,097	11.4	10
Total non-current assets	**1,661,044**	**1,847,758**	**186,714**	**11.2**	
Total assets	**1,740,874**	**1,933,844**	**192,970**	**11.1**	
LIABILITIES					
Current liabilities					
Trade and other payables	24,274	17,285	6,989	28.8	11
Interest bearing loans and borrowings	236	235	1	0.4	
Employee benefits	9,986	10,113	(127)	(1.3)	12
Total current liabilities	**34,496**	**27,633**	**6,863**	**19.9**	
Non-current liabilities					
Interest bearing loans and borrowings	2,347	2,348	(1)	(0.0)	
Employee benefits	1,192	617	575	48.2	12
Total non-current liabilities	**3,539**	**2,965**	**574**	**16.2**	
Total liabilities	**38,035**	**30,598**	**7,437**	**19.6**	
Net assets	**1,702,839**	**1,903,246**	**200,407**	**11.8**	
EQUITY					
Accumulated surplus	636,431	648,749	12,318	1.9	
Asset revaluation reserve	1,020,408	1,205,695	185,287	18.2	10
Other reserves	46,000	48,802	2,802	6.1	
Total equity	**1,702,839**	**1,903,246**	**200,407**	**11.8**	

STANDARD BALANCE SHEET

COMPARISON REPORT AS AT 30 JUNE 2010

Explanation of variances in the Standard Balance Sheet

7 **Cash and cash equivalents**: Cash and cash equivalents were higher than budget due to additional grant monies received during the year, higher than expected returns on investments and $4.4m of capital works to be carried forward into 2010/11.

8 **Trade and other receivables:** Budgeted growth was projected in rates debtors to factor in the increase in rates. However, at year-end, stronger collection of rates debtors resulted in actual rates debtors remaining fairly consistent with that of prior year. Refer to the Annual Financial Report Note 16.

9 **Investments in associates:** Council's investment in associates is not able to be reliably estimated when the budget is being developed. As such, no results are estimated for any investments in associates. The significant share of net loss of associates of $1.122m is mainly due to Council's share of the revaluation decrement of property, plant and equipment recognised by Regional Landfill Clayton South of $0.965m. Refer to the Annual Financial Report Note 18(a).

10 **Property, infrastructure, plant and equipment / Asset revaluation reserve:** The significant increase compared to budget was the result of Council's cyclical revaluation of land, buildings and road infrastructure assets. In particular, the revaluation of land was significantly higher than expected primarily due to the shortage of land as a result of Melbourne's population growth. In addition, the demand for large residential development sites located within close proximity to commercial centres have also promoted growth in land values. Some asset classes experienced a minor decrease in replacement cost. Refer to the Annual Financial Report Note 19(b).

11 **Trade and other payables**: At the time the budget was prepared, trade and other payables included a higher level of deposits held in trust. However, at year-end, deposits held in trust were repaid resulting in a lower than budgeted trade and other payables balance.

12 **Employee benefits**: The provisions for employee benefits have been adjusted as a result of the change in the Enterprise Bargaining Agreement allowing employees to access their long service leave after seven years.

STANDARD CASH FLOW STATEMENT

COMPARISON REPORT FOR THE YEAR ENDED 30 JUNE 2010

	Budget $'000	Actual $'000	Variance $'000	Variance %	Ref
CASH FLOWS FROM OPERATING ACTIVITIES					
Rates	67,524	67,858	334	0.5	
User fees and charges (including GST*)	32,478	33,807	1,329	4.1	
Grants and subsidies - excluding capital contributions (including GST*)	14,947	15,799	852	5.7	
Interest received	2,300	3,898	1,598	69.5	13
Other income (including GST*)	541	794	253	46.8	14
Net GST refund	-	3,966	3,966	100.0	15
Employee benefits (including GST*)	(49,115)	(49,151)	(36)	(0.1)	
Materials and services (including GST*)	(41,732)	(45,733)	(4,001)	(9.6)	16
Other expenses (including GST*)	(7,038)	(7,839)	(801)	(11.4)	17
Net cash from operating activities	**19,905**	**23,399**	**3,494**	**17.6**	
CASH FLOWS FROM INVESTING ACTIVITIES					
Repayment of loans and advances	6	2	(4)	(66.7)	
Proceeds from sale of property, infrastructure, plant and equipment	1,220	1,743	523	42.9	18
Acquisition of property, infrastructure, plant and equipment	(23,723)	(24,531)	(808)	(3.4)	
Capital contributions (including GST*)	1,410	4,708	3,298	233.9	19
Net cash used in investing activities	**(21,087)**	**(18,078)**	**3,009**	**14.3**	
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of loans and borrowings - including interest	(448)	(448)	-	0.0	
Net cash used in financing activities	**(448)**	**(448)**	**-**	**0.0**	
Net increase (decrease) in cash and cash equivalents	(1,630)	4,873	6,503	399.0	
Cash and cash equivalents at 1 July	73,352	73,808	456	0.6	
Cash and cash equivalents at 30 June	**71,722**	**78,681**	**6,959**	**9.7**	

*Budgeted figures are exclusive of GST, actual figures are inclusive of GST.

RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

Surplus (deficit) for the year	(1,585)	7,121	8,706
Adjustments for:			
Developers contributions	-	(2,733)	(2,733)
Depreciation	21,340	20,066	(1,274)
Net loss on disposal of property, infrastructure, plant and equipment	116	341	225
Share of net loss of associates	-	1,122	1,122
Change in assets and liabilities	34	(2,518)	(2,552)
Net cash from operating activities	**19,905**	**23,399**	**3,494**

STANDARD CASH FLOW STATEMENT
COMPARISON REPORT FOR THE YEAR ENDED 30 JUNE 2010

Explanation of variances in the Standard Cash Flow Statement

13 **Interest received:** Interest income was higher than budget as a result of higher than anticipated investment rates and investing funds for longer maturities in line with Council's investment strategy. Council's budget forecasted average returns of 4.00%, however, actual returns ranged between 4.25% and 6.35%.

14 **Other income**: The variance is due to the receipt of non-voter fines of $0.092m and Workcover reimbursements from Council's insurer for staff in receipt of Workcover weekly compensation benefits of $0.099m.

15 **Net GST refund**: Council's budget is calculated exclusive of GST with the actual results inclusive of GST.

16 **Materials and services**: The materials and services budgeted figure excludes GST, whereas the actual figure includes GST.

17 **Other expenses**: The other expenses budgeted figure excludes GST, whereas the actual figure includes GST.

18 **Proceeds from sale of property, infrastructure, plant and equipment**: Favourable variance as a result of the compulsory acquisition of land at Silver Grove Nunawading by VicRoads for the Springvale Road Rail Grade Separation Project.

19 **Capital contributions**: Capital income was higher than budget as additional federal and state government grants were received for capital works projects. They include $1.1m for the upgrade of the Wembley Park Pavilion and the early receipt of $1.0m for the redevelopment of Aqualink Box Hill where the expenditure will be incurred in 2010/11.

STANDARD CAPITAL WORKS STATEMENT

COMPARISON REPORT FOR THE YEAR ENDED 30 JUNE 2010

	Budget $'000	Actual $'000	Variance $'000	Variance $'000	Ref
CAPITAL WORKS AREA					
Buildings	6,713	8,890	(2,177)	(32.4)	20
Roads	6,234	6,042	192	3.1	
Drainage	990	980	10	1.0	
Street trees	320	318	2	0.6	
Parks	1,994	1,703	291	14.6	
Urban improvements	1,250	1,406	(156)	(12.5)	
Plant and equipment	6,222	5,192	1,030	16.6	21
Total capital works	**23,723**	**24,531**	**(808)**	**(3.4)**	
Represented by:					
Renewal	18,907	19,897	(990)	(5.2)	
New	4,816	4,634	182	3.8	
Total capital works	**23,723**	**24,531**	**(808)**	**(3.4)**	
RECONCILIATION OF MOVEMENT IN PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT					
Total capital works	23,723	24,531	(808)	(3.4)	
Developers contributions	-	2,733	2,733	100.0	22
Disposals	(1,336)	(2,084)	(748)	(56.0)	23
Depreciation	(21,340)	(20,066)	1,274	6.0	
Revaluations	29,721	243,863	214,142	720.5	24
Net movement in property, infrastructure, plant and equipment	**30,768**	**248,977**	**218,209**	**709.2**	

Explanation of variances in the Standard Capital Works Statement

20 **Buildings**: The significant increase in buildings compared to budget relates to major projects carried forward from the 2008/09 Budget including the construction of the Wembley Park Pavilion, installation of the second weighbridge at the Recycling and Waste Centre, and partial re-roofing, render repairs and repainting of the Box Hill Town Hall.

21 **Plant and equipment**: Plant and equipment is lower compared to budget as certain projects expected to be performed and funded over multiple years did not make as much progress in 2009/10 as expected. These projects, including the replacement of parking ticket machines, the installation of a new telecommunication systems, and implementation of a new asset management system, will be carried forward to 2010/11.

22 **Developers contributions**: Developers contributions in the form of land or infrastructure are not included in the budget as they are typically one-off in nature. During 2009/10, contributions of land (public open space) and drainage were received and required to be recognised as income. Refer to the Annual Financial Report Note 5(b).

23 **Disposals**: The disposal of assets was higher than budget as a result of the compulsory acquisition made by VicRoads as part of the Springvale Road Rail Grade Separation Project. The disposal of assets was also higher than budget as capital works in progress that were capitalised in previous years but not brought to fruition were written off.

24 **Revaluations**: The revaluation of land was significantly higher than expected primarily due to the shortage of land as a result of Melbourne's population growth. In addition, the demand for large residential development sites located within close proximity to commercial centres have also promoted growth in land values. Refer to the Annual Financial Report Note 19(b).

NOTES TO THE STANDARD STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Basis of preparation of the Standard Statements

Whitehorse City Council is required to prepare and include audited Standard Statements within its Annual Report. Four statements are required this year being the Standard Income Statement, Standard Balance Sheet, Standard Cash Flow Statement and Standard Capital Works Statement, together with explanatory notes.

These statements and supporting notes form a special purpose financial report prepared to meet the requirements of the *Local Government Act (1989)* and the *Local Government (Finance and Reporting) Regulations (2004)*.

The Standard Statements have been prepared on an accounting basis consistent with that used for the general purpose financial report and the budget. The results reported in these statements are consistent with those reported in the general purpose financial report.

The Standard Statements are not a substitute for the general purpose financial report, which is included in the Annual Report. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

The Standard Statements compare Council's financial plan, expressed through its annual budget, with actual performance. *The Local Government Act (1989)* requires explanation of any material variances. Council has adopted a materiality threshold of 10 percent or where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures included in the Standard Statements are those adopted by Council on 15 June 2009. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's business plan and financial performance targets for both the short and long-term.

Detailed information on the actual financial results are contained in the general purpose financial report. The Standard Statements must be read with reference to this document.

STANDARD INCOME STATEMENT

The Standard Income Statement shows what has happened during the year in terms of revenue, expenses and other adjustments from all activities.

The Standard Income Statement requires revenue to be separately disclosed where the item is of such a size, nature or incidence that its disclosure is relevant in explaining the performance of Whitehorse City Council.

STANDARD BALANCE SHEET

The Standard Balance Sheet shows a snap shot of all the assets and liabilities as at 30 June. It shows the total of what is owned (assets) less what is owed (liabilities). The bottom line of this statement is net assets, which is net worth of Council.

The change in net assets between two year's Standard Statements of Balance Sheet shows how the financial position has changed over that period.

The assets and liabilities are separated into current and non-current.

STANDARD CASH FLOW STATEMENT

The Standard Cash Flow Statement shows what has happened during the year in terms of cash. It explains what cash movements have resulted in the difference in the cash balance at the beginning and the end of the year.

The net cash flows from operating activities shows how much cash remains after paying for services to the community which may be invested in things such as capital works. The information in the Standard Cash Flow Statement assists users in the assessment of Council's ability to generate cash flows, meet financial commitments as they fall due including the servicing of borrowings, and fund changes in the scope or nature of activities. A reconciliation of cash flows from operating activities has been added to highlight non-cash items of significance.

STANDARD CAPITAL WORKS STATEMENT

The Standard Capital Works Statement sets out all capital expenditure that has been spent or is expected to be spent in relation to non-current assets during the financial year. It also shows whether this expenditure is renewing, expanding or upgrading existing assets or creating new assets. This is important because each of these categories has a different impact on Council's future costs.

CERTIFICATION OF THE STANDARD STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

In my opinion, the accompanying Standard Statements of Whitehorse City Council for the year ended 30 June 2010 have been prepared on accounting bases consistent with the financial report and in accordance with the *Local Government Act (1989)* and the *Local Government (Finance and Reporting) Regulations (2004).*

Principal Accounting Officer
Marc Giglio CPA

Dated: 19 August 2010
Nunawading

In our opinion, the accompanying Standard Statements have been prepared on accounting bases consistent with the financial report and in accordance with *the Local Government Act (1989)* and the *Local Government (Finance and Reporting) Regulations (2004).*

As at the date of signing, we are not aware of any circumstances which would render any particulars in the Standard Statements to be misleading or inaccurate.

We were authorised by the Council on 16 August 2010 to certify the Standard Statement in their final form on behalf of the Council.

Councillor
Andrew Munroe

Dated: 19 August 2010
Nunawading

Robert Chong

Councillor
Robert Chong

Dated: 19 August 2010
Nunawading

Chief Executive Officer
Noelene Duff

Dated: 19 August 2010
Nunawading

COMPREHENSIVE INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 $'000	2009 $'000
REVENUE			
Rates	2	67,953	63,725
User fees and charges	3	32,549	33,120
Grants and subsidies - recurrent	4(a)	15,084	17,078
Grants and subsidies - non-recurrent	4(b)	2,899	2,919
Contributions - monetary	5(a)	1,105	575
Contributions - non-monetary	5(b)	2,733	293
Interest income	6	3,898	4,059
Other income	7	758	1,317
Total revenue		**126,979**	**123,086**
EXPENSES			
Employee benefits	8	49,080	47,747
Materials and services	9	41,854	41,130
Depreciation	10	20,066	20,770
Interest expense	11	230	100
Other expenses	12	7,165	6,840
Net loss on disposal of property, infrastructure, plant and equipment	13	341	124
Share of net loss of associates	14	1,122	90
Total expenses		**119,858**	**116,801**
Surplus for the year		**7,121**	**6,285**
OTHER COMPREHENSIVE INCOME			
Revaluation of property, infrastructure, plant and equipment		243,863	-
Comprehensive results		**250,984**	**6,285**

The above Comprehensive Income Statement should be read with the accompanying notes.

BALANCE SHEET
AS AT 30 JUNE 2010

	Note	2010 $'000	2009 $'000
ASSETS			
Current assets			
Cash and cash equivalents	15	78,681	73,808
Trade and other receivables	16	7,057	6,544
Other assets	17	348	1,235
Total current assets		**86,086**	**81,587**
Non-current assets			
Trade and other receivables	16	271	358
Investments in associates	18	7,075	8,197
Property, infrastructure, plant and equipment	19	1,840,412	1,591,435
Total non-current assets		**1,847,758**	**1,599,990**
Total assets		**1,933,844**	**1,681,577**
LIABILITIES			
Current liabilities			
Trade and other payables	20	17,285	16,941
Interest bearing loans and borrowings	21	235	217
Employee benefits	22	10,113	8,399
Total current liabilities		**27,633**	**25,557**
Non-current liabilities			
Interest bearing loans and borrowings	21	2,348	2,584
Employee benefits	22	617	1,174
Total non-current liabilities		**2,965**	**3,758**
Total liabilities		**30,598**	**29,315**
Net assets		**1,903,246**	**1,652,262**
EQUITY			
Accumulated surplus	23(a)	648,749	642,632
Asset revaluation reserve	23(b)	1,205,695	961,832
Other reserves	23(c)	48,802	47,798
Total equity		**1,903,246**	**1,652,262**

The above Balance Sheet should be read with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

2010	**Note**	**Accumulated surplus $'000**	**Asset revaluation reserve $'000**	**Other reserves $'000**	**Total $'000**
Balance at 1 July 2009		642,632	961,832	47,798	1,652,262
Total comprehensive income for the year:					
Surplus for the year	23	7,121	-	-	7,121
Revaluation of property, infrastructure, plant and equipment	23	-	243,863	-	243,863
Transfers in	23	846	-	1,850	2,696
Transfers out	23	(1,850)	-	(846)	(2,696)
Balance at 30 June 2010		**648,749**	**1,205,695**	**48,802**	**1,903,246**

2009	**Note**	**Accumulated surplus $'000**	**Asset revaluation reserve $'000**	**Other reserves $'000**	**Total $'000**
Balance at 1 July 2008		654,006	961,832	30,139	1,645,977
Total comprehensive income for the year:					
Surplus for the year	23	6,285	-	-	6,285
Revaluation of property, infrastructure, plant and equipment	23	-	-	-	-
Transfers in	23	786	-	18,445	19,231
Transfers out	23	(18,445)	-	(786)	(19,231)
Balance at 30 June 2009		**642,632**	**961,832**	**47,798**	**1,652,262**

The above Statement of Changes in Equity should be read with the accompanying notes.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 $'000	2009 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Rates		67,858	63,470
User fees and charges (including GST)		33,807	35,026
Grants and subsidies (including GST)		19,252	20,047
Contributions (including GST)		1,255	667
Interest received		3,898	4,059
Other income (including GST)		794	1,360
Net GST refund		3,966	5,195
Employee benefits (including GST)		(49,151)	(48,772)
Materials and services (including GST)		(45,733)	(46,403)
Other expenses (including GST)		(7,839)	(7,524)
Net cash from operating activities	24	**28,107**	**27,125**
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayment of loans and advances from community organisations		2	6
Proceeds from sale of property, infrastructure, plant and equipment		1,743	19,223
Acquisition of property, infrastructure, plant and equipment		(24,531)	(29,599)
Payment of hostel deposits		-	(5,258)
Net cash used in investing activities		**(22,786)**	**(15,628)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of interest bearing loans and borrowings		(218)	(199)
Interest paid		(230)	(247)
Net cash used in financing activities		**(448)**	**(446)**
Net increase in cash and cash equivalents		**4,873**	**11,051**
Cash and cash equivalents at 1 July		73,808	62,757
Cash and cash equivalents at 30 June	15	**78,681**	**73,808**

The above Cash Flow Statement should be read with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Whitehorse City Council was established by an Order of the Governor in Council on 15 December 1994 and is a body corporate.

The Council's main office is located at 379-397 Whitehorse Road, Nunawading VIC 3131.

The purpose of the Council is to:

- provide for the peace, order and good government of its municipal district;
- to promote the social, economic and environmental viability and sustainability of the municipal district;
- to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
- to improve the overall quality of life of people in the local community;
- to promote appropriate business and employment opportunities;
- to ensure that services and facilities provided by the Council are accessible and equitable;
- to ensure the equitable imposition of rates and charges; and
- to ensure transparency and accountability in Council decision making.

External Auditor	Auditor-General of Victoria
Internal Auditor	PricewaterhouseCoopers
Solicitors	Russell Kennedy, Norton Rose Australia, Macquarie Lawyers and Maddocks Lawyers
Bankers	National Australia Bank
Website address	www.whitehorse.vic.gov.au

This financial report is a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act (1989)*, and the *Local Government (Finance and Reporting) Regulations (2004)*.

NOTE

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

This financial report has been prepared on an accrual and going concern basis.

This financial report has been prepared under the historical cost convention, except where specifically stated in Notes 1(g), 1(j) and 1(s).

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

All entities and funds through which Council controls resources to carry on its functions have been included in the financial report. In the process of reporting on Council as a single entity, all transactions and balances between the funds have been eliminated. In addition, all intra-entity transactions have been eliminated.

(b) Revenue recognition

Rates, grants and contributions

Rates, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for doubtful debts on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Revenue recognition (continued)

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 4. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.

User charges, fees and fines

User charges, fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for doubtful debts is recognised when collection in full is no longer probable.

Sale of property, infrastructure, plant and equipment

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Trade and other receivables

Receivables are carried at amortised cost using the effective interest rate method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred.

Interest and rents

Interest and rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

(c) Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.

(d) Depreciation of property, infrastructure, plant and equipment

Buildings, land improvements, plant and equipment, infrastructure, heritage assets, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually (see Note 10 and 19).

Straight line depreciation is charged based on the residual useful life as determined each year.

The useful lives of roads were adjusted at the end of 2008/09 following a review of the remaining useful lives. The range of depreciation rates used for each class of asset and the prior year comparatives are listed in the table below. Land and various pieces of art work are not depreciated.

Asset class	2010 Rate	Years	2009 Rate	Years
Buildings	1.00%-3.00%	33 - 100 years	1.00%-3.00%	33 - 100 years
Roads	0.67%-10.00%	10 - 150 years	0.89%-10.00%	10 - 112 years
Drainage	1.00%-2.00%	50 - 100 years	1.00%-2.00%	50 - 100 years
Land improvements	0.00%-20.00%	0 - 5 years	0.00%-20.00%	0 - 5 years
Plant and machinery	5.00%-50.00%	2 - 20 years	5.00%-50.00%	2 - 20 years
Equipment, furniture and fittings	5.00%-35.00%	3 - 20 years	5.00%-35.00%	3 - 20 years
Other structures	2.00%-50.00%	2 - 50 years	2.00%-50.00%	2 - 50 years
Art collection	0.00%-1.00%	0 - 100 years	0.00%-1.00%	0 - 100 years

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Depreciation of property, infrastructure, plant and equipment (continued)

The estimated and actual dollar impact on depreciation expense as a result of the change in the remaining useful lives of roads are shown in the table below.

Asset class	Remaining useful life Years	Increase in remaining useful life years Years	Estimated decrease in depreciation expense $'000	Actual decrease in depreciation expense $'000
Road substructures	150	38	269	281
Road seals	27	3	433	490
Footpaths	90	5	30	62
Kerbs and channels	100	14	133	133
Total			**865**	**966**

(e) Repairs and maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

(f) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings, and finance lease charges.

(g) Recognition and measurement of assets

Acquisitions

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised in Note 19. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Asset class Amount	
Land	Nil
Buildings	Nil
Road substructure	$5,000
Road seal	$5,000
Footpaths	$5,000
Kerb and channel	$5,000
Other road assets	$5,000
Drainage	$5,000
Land improvements	$1,000
Plant and machinery	$200
Equipment, furniture and fittings	$200
Other structures	$1,000
Art collection	Nil

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Recognition and measurement of assets (continued)

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets (including land, buildings, roads and drainage), other than plant and equipment, other structures, land improvements and art collection, are measured at fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. At balance date, the Council reviewed the carrying value of the individual classes of assets within land, buildings and infrastructure to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings and infrastructure assets on a regular basis ranging from two to three years. The valuation is performed either by experienced Council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Land under roads

Land under roads acquired after 30 June 2008 is brought to account using the fair value basis. Council does not recognise land under roads that is controlled prior to that period in its financial report.

(h) Cash and cash equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Cash managed funds are valued at fair value, being market value, at balance date. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

(i) Investments

Investments, other than investments in associates, are measured at cost.

(j) Accounting for investments in associates

Council's investment in associates is accounted for by the equity method as the Council has the ability to influence rather than control the operations of the entities. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in the Council's share of the net assets of the entities. The Council's share of the financial result of the entities is recognised in the Comprehensive Income Statement.

(k) Tender deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as trust funds until they are returned or forfeited (refer to Note 20)

(l) Employee benefits

Wages and salaries

Liabilities for wages and salaries and rostered days off are recognised and are measured as the amount unpaid at balance date and include appropriate oncosts such as workers compensation and payroll costs.

Annual leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date.

Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled.

Annual leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Employee benefits (continued)

Long service leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service.

Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled.

Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Classification of employee benefits

An employee benefit liability is classified as a current liability if the Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

Superannuation

A liability is recognised in respect of Council's present obligation to meet the unfunded obligations of defined benefit superannuation schemes to which its employees are members. The liability is defined as the Council's share of the scheme's unfunded position, being the difference between the present value of employees' accrued benefits and the net market value of the scheme's assets at balance date. The liability also includes applicable contributions tax of 15%.

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees. Details of these arrangements are recorded in Note 22.

(m) Operating leases

Lease payments for operating leases are recognised as an expense in the years in which they are incurred as this reflects the pattern of benefits derived by the Council.

(n) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being the Council's operational cycle, or if the Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(o) Agreements equally proportionately unperformed

The Council does not recognise assets and liabilities arising from agreements that are equally proportionately unperformed in the statement of financial position. Such agreements are recognised on an 'as incurred' basis.

(p) Web site costs

Costs in relation to websites are charged as an expense in the period in which they are incurred.

(q) Goods and services tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included.

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(r) Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Impairment of assets (continued)

Any excess of the assets carrying value over its recoverable amount is expensed to the income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(s) Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(t) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars.

(u) Budget information

Amounts shown in the financial report as budget information have been disclosed for information purposes only. Where necessary, budget information has been recast to comply with current presentation requirements. The budget figures have been drawn from Council's budget approved at the time the rates were adopted by Council for the 2009/10 year.

(v) New standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2010, but have not been applied in preparing this financial report.

Standards / Interpretation	**Summary**	**Applicable for annual reporting periods beginning on**	**Impact on local government financial statements**
AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project. [AASB 5, 8, 101, 107, 117, 118, 136 & 139]	Some amendments will result in accounting changes for presentation, recognition or measurement purposes, while other amendments will relate to terminology and editorial changes.	1 January 2010	Terminology and editorial changes. Impact minor.
AASB 9 Financial Instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace *IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).*	1 January 2013	Detail of impact is still being assessed.
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	This gives effect to consequential changes arising from the issuance of *AASB 9.*	1 January 2013	Detail of impact is still being assessed.
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14]	Amendment to Interpretation 14 arising from the issuance of *Prepayments of a Minimum Funding Requirement*	1 January 2011	Expected to have no significant impact.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

2 RATES

Council uses Capital Improved Value (CIV), representing the value of land and buildings, as the basis of valuation of all properties within the municipal district.

The valuation base used to calculate general rates for 2009/10 was:

- General rate $36,367,242,400 (2008/09: $36,094,458,400)
- Recreational rate $53,058,000 (2008/09: $53,058,000)

The 2009/10 rate in the dollar of general rate assessments was 0.18558 cents of each dollar of CIV (2008/09: 0.17545 cents).

The total quantum of 'in-lieu of rates' levied on recreational assessments was $29,539 in 2009/10 (2008/09: $27,908).

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2010, and the valuation was first applied in the rating year commencing 1 July 2010.

The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2008, and the valuation was first applied in the rating year commencing 1 July 2008.

	2010 **$'000**	**2009** **$'000**
Residential	59,391	55,807
Commercial	5,848	5,354
Industrial	2,279	2,193
Supplementary	435	371
Total rates	**67,953**	**63,725**

3 USER FEES AND CHARGES

Community care	2,584	3,181
Compliance	4,297	4,315
Family, youth and children	5,054	4,688
Parks, recreation and active leisure centres	7,981	7,999
Waste and recycling service	7,033	7,143
Other fees and charges	5,600	5,794
Total user fees and charges	**32,549**	**33,120**

4 GRANTS AND SUBSIDIES

Grants were received in respect of the following :

Federal funded	16,094	17,785
State funded	1,872	2,210
Other	17	2
Total grants and subsidies	**17,983**	**19,997**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
4	**GRANTS AND SUBSIDIES (CONTINUED)**		
(a)	Recurrent		
	Arts and culture	8	17
	Business development	8	45
	Child care centres	1,669	1,725
	Community care	7,299	7,460
	Environmental health	135	188
	Family day care	862	658
	Family support and counselling	235	187
	Hostels	-	523
	Infrastructure	202	513
	Maternal and child health	901	755
	Parks, recreation and active leisure centres	36	33
	School crossing subsidies	182	203
	Victorian Grants Commission - local roads	713	898
	Victorian Grants Commission - general assistance	2,834	3,873
	Total grants and subsidies - recurrent	**15,084**	**17,078**
(b)	Non-recurrent		
	Arts and culture	-	154
	Infrastructure	480	492
	Parks, recreation and active leisure centres	2,215	2,273
	Urban design	204	-
	Total grants and subsidies - non-recurrent	**2,899**	**2,919**

Conditions on Grants

There are no grants recognised as revenue during the current or previous reporting years, which had not been expended in the manner specified by the grantor at the reporting date.

Grants recognised as revenue during the year that were obtained on the condition that they be expended in a specified manner that had not occurred at balance date were:

	2010 $'000	2009 $'000
Arts and culture	139	-
City development	35	139
Community care	40	-
Compliance	-	3
Environmental health	-	106
Family support and counselling	23	-
Maternal and child health	6	-
Parks, recreation and active leisure centres	2,199	-
Urban design	49	-
	2,491	248

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
5	**CONTRIBUTIONS**		
(a)	Monetary		
	Resident / user contributions	672	102
	Contributions from sporting clubs	433	473
	Total contributions - monetary	**1,105**	**575**
(b)	Non-monetary		
	Developers contributions - drainage	156	293
	Developers contributions - public open space	2,577	-
	Total contributions - non-monetary	**2,733**	**293**
6	**INTEREST INCOME**		
	Interest earned from cash assets	3,673	3,831
	Interest earned from rates	225	228
	Total interest income	**3,898**	**4,059**
7	**OTHER INCOME**		
	Utilities recovered	56	56
	Cost recovery income	153	283
	Other income	549	978
	Total other income	**758**	**1,317**
8	**EMPLOYEE BENEFITS**		
	Wages and salaries	43,440	42,274
	Superannuation	3,471	3,314
	Fringe benefits tax	411	406
	Staff development	826	758
	Workcover	932	995
	Total employee benefits	**49,080**	**47,747**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
9	**MATERIALS AND SERVICES**		
	Contracts and services	12,274	11,940
	Council election	72	287
	Fuel and oil	713	785
	Insurance	610	546
	Legal expenses	1,134	1,089
	Materials and supplies	2,588	3,061
	Public lighting	1,276	1,110
	Recycling and waste	11,446	11,069
	Repairs and maintenance	2,466	2,189
	Street sweeping	722	709
	Utilities	2,037	1,914
	Other materials and services	6,516	6,431
	Total materials and services	**41,854**	**41,130**
10	**DEPRECIATION**		
	Buildings	4,287	4,028
	Roads	7,021	7,813
	Drainage	1,678	1,667
	Land improvements	1,857	1,842
	Plant and machinery	1,286	1,194
	Equipment, furniture and fittings	2,771	2,747
	Other structures	1,142	1,458
	Art collection	24	21
	Total depreciation	**20,066**	**20,770**
11	**INTEREST EXPENSE**		
	Interest on loans and borrowings	230	247
	Capitalised borrowing costs on qualifying assets (Sportlink)	-	(147)
	Total interest expense	**230**	**100**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
12	**OTHER EXPENSES**		
	Bad and doubtful debts	(9)	25
	Community grants	674	715
	External audit fee	59	54
	Internal audit fee	127	113
	Lease rentals	197	199
	Library contributions	3,554	3,389
	Metropolitan Fire Brigade levy	2,004	1,846
	Other expenses	559	499
	Total other expenses	**7,165**	**6,840**
13	**NET LOSS ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT**		
	Land and buildings		
	Net proceeds from disposal of assets	664	17,754
	Written down value of assets disposed	(858)	(17,395)
	Disposal costs	-	(502)
	(Loss) on disposal of land and buildings	**(194)**	**(143)**
	Plant, machinery and equipment		
	Net proceeds from disposal of assets	1,079	869
	Written down value of assets disposed	(1,093)	(850)
	Gain (loss) on disposal of plant, machinery and equipment	**(14)**	**19**
	Works in progress		
	Written down value of assets disposed	(133)	-
	(Loss) on disposal of capital works in progress	**(133)**	-
	Total		
	Net proceeds from disposal of assets	1,743	18,623
	Written down value of assets disposed	(2,084)	(18,245)
	Disposal costs	-	(502)
	Total net (loss) on disposal of property, infrastructure, plant and equipment	**(341)**	**(124)**
14	**SHARE OF NET LOSS OF ASSOCIATES**		
	Regional Landfill Clayton South (Note 18(a))	(932)	47
	Whitehorse Manningham Regional Library Corporation (Note 18(b))	(224)	(177)
	Narre Warren User Group (Note 18(c))	34	40
	Total share of net (loss) of associates	**(1,122)**	**(90)**

The significant share of net loss of associates of $1.122m is mainly due to Council's share of the revaluation decrement of property, plant and equipment recognised by Regional Landfill Clayton South of $0.965m.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
15	**CASH AND CASH EQUIVALENTS**		
	Cash at bank and on hand	6,074	5,552
	Term deposits	66,496	62,433
	Cash managed funds	6,111	5,823
	Total cash and cash equivalents for the purpose of the Cash Flow Statement	**78,681**	**73,808**

At the reporting date, Council had legislative restrictions on cash and cash equivalents in relation to employee benefits (long service leave) and reserve funds. Refer to Note 26 for restrictions on cash and cash equivalents.

Cash contained in reserves are subject to conditions established by Council resolution. Funds can only be accessed when principles are met. Refer to Note 23(c).

NOTE		2010 $'000	2009 $'000
16	**TRADE AND OTHER RECEIVABLES**		
	Current		
	Rates debtors	1,736	1,641
	Secured loan - Nunawading Gymnastics and Sports Club	3	3
	Provision for doubtful debts - secured loan	(1)	(1)
	Unsecured loans and advances	53	66
	Parking debtors	2,029	2,112
	Provision for doubtful debts - parking debtors	(1,509)	(1,549)
	Other debtors	4,821	4,374
	Provision for doubtful debts - other debtors	(75)	(102)
	Total trade and other receivables - current	**7,057**	**6,544**
	Non-current		
	Secured loan - Nunawading Gymnastics and Sports Club	94	96
	Provision for doubtful debts - secured loan	(48)	(48)
	Unsecured loans and advances	225	310
	Total trade and other receivables - non-current	**271**	**358**
17	**OTHER ASSETS**		
	Prepayments	182	1,050
	Stores and materials	25	63
	Nursery plant stock	141	122
	Total other assets	**348**	**1,235**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		**2010** **$'000**	**2009** **$'000**
18	**INVESTMENTS IN ASSOCIATES**		
	(a) Interest in Regional Landfill Clayton South	2,170	3,102
	(b) Interest in Whitehorse Manningham Regional Library Corporation	4,162	4,386
	(c) Interest in Narre Warren User Group	743	709
	Total investment in associates	7,075	8,197

Valuations

Valuations of investments in associates are based on Council's share of each entity's net assets. Financial statements for all entities were unaudited at balance date. At balance date there was no known contingencies for the landfill site.

(a) Interest in Regional Landfill Clayton South

Council holds an interest of 14.12% (2008/09:14.12%) in Regional Landfill Clayton South. The principal activity is the provision of a refuse disposal site for member Councils.

	2010 $'000	2009 $'000
Movement in carrying value of investment		
Carrying value of investment at 1 July	3,102	3,055
Share of surplus for the year	28	47
Share of movement in reserves for the year	(965)	-
Amendment to share of surplus based on audited results	5	-
Carrying value of investment at 30 June	**2,170**	**3,102**
Share of accumulated surplus		
Share of accumulated surplus at 1 July	1,808	1,761
Share of surplus for the year	28	47
Amendment to share of surplus based on audited results	5	-
Share of accumulated surplus at 30 June	**1,841**	**1,808**
Share of reserves		
Share of reserves at 1 July	1,294	1,294
Share of reserves for the year	(965)	-
Share of reserves at 30 June	**329**	**1,294**
Share of Regional Landfill Clayton South		
Current assets	705	353
Non-current assets	1,658	2,851
Total assets	**2,363**	**3,204**
Current liabilities	76	32
Non-current liabilities	117	70
Total liabilities	**193**	**102**
Net assets	**2,170**	**3,102**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
18	**INVESTMENTS IN ASSOCIATES (CONTINUED)**		
	Revenue	954	893
	Expenses	(926)	(846)
	Surplus for the year	**28**	**47**

(b) Interest in Whitehorse Manningham Regional Library Corporation

On 21 December 1995 Council's library operation was combined with the Regional Authority to form Whitehorse Manningham Regional Library Corporation (the Corporation). Council has a 60% interest (as per funding responsibilities) and a 71.2% (2008/09: 70.28%) economic entitlement in the net assets of the Corporation but does not have effective control, as both Whitehorse and Manningham Councils possess the same voting rights on the board of management. The Corporation is established by agreement between the two participating councils. The principal activity of the Corporation is the lending of books and other materials.

	2010 $'000	2009 $'000
Movement in carrying value of investment		
Carrying value of investment at 1 July	4,386	4,563
Share of (deficit) for the year	(282)	(189)
Change in share of economic entitlement	58	12
Carrying value of investment at 30 June	**4,162**	**4,386**
Share of accumulated surplus		
Share of accumulated surplus at 1 July	1,630	1,814
Share of (deficit) for the year	(282)	(189)
Change in share of economic entitlement	22	5
Share of accumulated surplus at 30 June	**1,370**	**1,630**
Share of contributed capital		
Share of contributed capital at 1 July	2,756	2,749
Change in share of economic entitlement	36	7
Share of contributed capital at 30 June	**2,792**	**2,756**
Share of Whitehorse Manningham Regional Library Corporation		
Current assets	1,433	1,428
Non-current assets	4,115	4,371
Total assets	**5,548**	**5,799**
Current liabilities	1,234	1,263
Non-current liabilities	152	150
Total liabilities	**1,386**	**1,413**
Net assets	**4,162**	**4,386**
Revenue	5,685	5,443
Expenses	(5,967)	(5,632)
(Deficit) for the year	**(282)**	**(189)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

18 INVESTMENTS IN ASSOCIATES (CONTINUED)

(c) Interest in Narre Warren User Group

Council holds an interest of 48.88% (2008/09: 48.88%) in Narre Warren User Group (NWUG). The principal activity of NWUG is to monitor the closed regional landfill that was previously used by Council. Contributions by Council to NWUG during the period totalled nil (2008/09: nil). Council holds the cash investment for NWUG and surplus is generated from the interest less site monitoring costs.

	2010 $'000	**2009 $'000**
Movement in carrying value of investment		
Carrying value of investment at 1 July	709	669
Share of surplus for the year	34	40
Carrying value of investment at 30 June	**743**	**709**

19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

(a) Property

Land		
At fair value - council valuation at 30 June 2010 (i)	1,148,230	-
At fair value - council valuation at 30 June 2007 (ii)	-	907,671
At cost	-	4,805
Total land - carrying amount	**1,148,230**	**912,476**
Buildings		
At fair value - council valuation at 30 June 2010 (i)	342,378	-
At fair value - council valuation at 30 June 2007 (ii)	-	284,926
Less: accumulated depreciation	(134,981)	(115,663)
At fair value - carrying amount	207,397	169,263
At cost	-	21,123
Less: accumulated depreciation	-	(60)
At cost - carrying amount	-	21,063
Total buildings - carrying amount	**207,397**	**190,326**
Total property - carrying amount	**1,355,627**	**1,102,802**

(i) The 30 June 2010 valuation of land and buildings is a fair value review and was determined by Council's Manager of Property and Rates, Mr Tony Peak AAPI Certified Practising Valuer. It should be noted that properties with special use or recreational zonings have attracted a land value discount within the range of 15% to 25%.

(ii) The 30 June 2007 valuation of land and buildings was at current market value and was determined by Council's Manager of Property and Rates, Mr Greg Stevens AAPI Certified Practising Valuer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)

(b) Infrastructure

Roads

Roads comprise of the following asset categories: road substructures, road seals, footpaths, kerbs and channels and other road assets.

	2010 $'000	2009 $'000
Road substructures		
At fair value - council valuation at 30 June 2010 (iii)	113,747	-
At fair value - council valuation at 30 June 2007 (iv)	-	125,237
Less: accumulated depreciation	(31,751)	(34,717)
At fair value - carrying amount	81,996	90,520
At cost	-	1,833
Less: accumulated depreciation	-	(14)
At cost - carrying amount	-	1,819
Total road substructure - carrying amount	**81,996**	**92,339**
Road seals		
At fair value - council valuation at 30 June 2010 (iii)	59,832	-
At fair value - council valuation at 30 June 2007 (iv)	-	99,421
Less: accumulated depreciation	(2,914)	(26,769)
At fair value - carrying amount	56,918	72,652
At cost	-	2,320
Less: accumulated depreciation	-	(103)
At cost - carrying amount	-	2,217
Total road seals - carrying amount	**56,918**	**74,869**
Footpaths		
At fair value - council valuation at 30 June 2010 (iii)	82,181	-
At fair value - council valuation at 30 June 2007 (iv)	-	83,485
Less: accumulated depreciation	(38,233)	(46,100)
At fair value - carrying amount	43,948	37,385
At cost	-	3,082
Less: accumulated depreciation	-	(28)
At cost - carrying amount	-	3,054
Total footpaths - carrying amount	**43,948**	**40,439**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
19	**PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)**		
(b)	Infrastructure (continued)		
	Kerbs and channels		
	At fair value - council valuation at 30 June 2010 (iii)	82,622	-
	At fair value - council valuation at 30 June 2007 (iv)	-	81,874
	Less: accumulated depreciation	(24,433)	(44,563)
	At fair value - carrying amount	58,189	37,311
	At cost	-	1,325
	Less: accumulated depreciation	-	(17)
	At cost - carrying amount	-	1,308
	Total kerbs and channels - carrying amount	**58,189**	**38,619**
	Other road assets		
	At fair value - council valuation at 30 June 2010 (iii)	28,049	-
	At fair value - council valuation at 30 June 2007 (iv)	-	25,886
	Less: accumulated depreciation	(10,990)	(12,450)
	At fair value - carrying amount	17,059	13,436
	At cost	-	2,279
	Less: accumulated depreciation	-	(47)
	At cost - carrying amount	-	2,232
	Total other road assets - carrying amount	**17,059**	**15,668**
	Total roads		
	At fair value - carrying amount	258,110	251,304
	At cost - carrying amount	-	10,630
	Total roads - carrying amount	**258,110**	**261,934**
	Drainage		
	At fair value - council valuation at 30 June 2008 (v)	166,632	166,632
	Less: accumulated depreciation	(69,297)	(67,630)
	At fair value - carrying amount	97,335	99,002
	At cost	2,147	1,011
	Less: accumulated depreciation	(12)	(1)
	At cost - carrying amount	2,135	1,010
	Total drainage - carrying amount	**99,470**	**100,012**
	Land improvements		
	At cost	116,997	114,511
	Less: accumulated depreciation	(21,839)	(19,982)
	Total land improvements - carrying amount	**95,158**	**94,529**
	Total infrastructure - carrying amount	**452,738**	**456,475**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)

(b) Infrastructure (continued)

(iii) The 30 June 2010 valuation of roads is at written down replacement cost, which includes pavement, substructure, kerb and channel, footpaths and traffic management devices, was undertaken by Council's Manager of Engineering and Environmental Services, Mr Ian Goodes Dip CE, Grad Dip Mun. Eng. and Man., MIE Aust, CPEng. It should be noted that in calculating the written down replacement cost of roads that valuations of infrastructure assets are made using a greenfields assumption, that is destruction costs of existing assets and site restoration costs are excluded.

(iv) The 30 June 2007 valuation of roads is at written down replacement cost, which includes pavement, substructure, kerb and channel, footpaths and traffic management devices, was undertaken by Council's Manager of Engineering and Environmental Services, Mr Ian Goodes Dip CE, Grad Dip Mun. Eng. and Man., MIE Aust, CPEng. It should be noted that in calculating the written down replacement cost of roads that valuations of infrastructure assets are made using a greenfields assumption, that is destruction costs of existing assets and site restoration costs are excluded.

(v) The 30 June 2008 valuation of drainage at written down replacement cost was undertaken by Council's Manager of Engineering and Environmental Services, Mr Ian Goodes Dip CE, Grad Dip Mun. Eng. and Man., MIE Aust, CPEng. It should be noted that in calculating the written down replacement cost of drainage that valuations of infrastructure assets are made using a greenfields assumption, that is destruction costs of existing assets and site restoration costs are excluded.

(c) Plant and equipment

	2010 $'000	**2009 $'000**
Plant and machinery		
At cost	11,891	10,398
Less: accumulated depreciation	(4,234)	(3,653)
Total plant and machinery - carrying amount	**7,657**	**6,745**
Equipment, furniture and fittings		
At cost	29,043	27,221
Less: accumulated depreciation	(17,426)	(14,655)
Total equipment, furniture and fittings - carrying amount	**11,617**	**12,566**
Other structures		
At cost	14,297	13,749
Less: accumulated depreciation	(6,930)	(5,788)
Total other structures - carrying amount	**7,367**	**7,961**
Art collection		
At cost	2,406	2,278
Less: accumulated depreciation	(107)	(83)
Total art collection - carrying amount	**2,299**	**2,195**
Total plant and equipment - carrying amount	**28,940**	**29,467**

(d) Works in progress

At cost	3,107	2,691
Total property, infrastructure, plant and equipment - carrying amount	**1,840,412**	**1,591,435**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE 19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)

2010	Balance at 1 July 2009 $'000	Additions $'000	Disposals $'000	Depreciation $'000	Revaluations $'000	Transfers in $'000	Transfers out $'000	Balance at 30 June 2010 $'000
Property								
Land	912,476	2,577	(470)	-	233,647	-	-	1,148,230
Buildings	190,326	6,815	(388)	(4,287)	13,021	1,910	-	207,397
Total property	**1,102,802**	**9,392**	**(858)**	**(4,287)**	**246,668**	**1,910**	**-**	**1,355,627**
Infrastructure								
Roads	261,934	6,002	-	(7,021)	(2,805)	-	-	258,110
Drainage	100,012	1,136	-	(1,678)	-	-	-	99,470
Land improvements	94,529	2,454	-	(1,857)	-	32	-	95,158
Total infrastructure	**456,475**	**9,592**	**-**	**(10,556)**	**(2,805)**	**32**	**-**	**452,738**
Plant and equipment								
Plant and machinery	6,745	3,291	(1,093)	(1,286)	-	-	-	7,657
Equipment, furniture and fittings	12,566	1,822	-	(2,771)	-	-	-	11,617
Other structures	7,961	548	-	(1,142)	-	-	-	7,367
Art collection	2,195	128	-	(24)	-	-	-	2,299
Total plant and equipment	**29,467**	**5,789**	**(1,093)**	**(5,223)**	**-**	**-**	**-**	**28,940**
Works in progress								
Buildings	2,541	2,075	(54)	-	-	-	(1,910)	2,652
Roads	22	40	(22)	-	-	-	-	40
Land improvements	104	71	(33)	-	-	-	(32)	110
Equipment, furniture and fittings	-	305	-	-	-	-	-	305
Art collection	24	-	(24)	-	-	-	-	-
Total works in progress	**2,691**	**2,491**	**(133)**	**-**	**-**	**-**	**(1,942)**	**3,107**
Total property, infrastructure, plant and equipment – carrying amount	**1,591,435**	**27,264**	**(2,084)**	**(20,066)**	**243,863**	**1,942**	**(1,942)**	**1,840,412**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE 19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)

2009	Balance at 1 July 2008 $'000	Additions $'000	Disposals $'000	Depreciation $'000	Revaluations $'000	Transfers in $'000	Transfers out $'000	Balance at 30 June 2009 $'000
Property								
Land	913,109	-	(633)	-	-	-	-	912,476
Buildings	175,480	11,541	(13)	(4,028)	-	7,346	-	190,326
Total property	**1,088,589**	**11,541**	**(646)**	**(4,028)**	**-**	**7,346**	**-**	**1,102,802**
Infrastructure								
Roads	263,483	6,264	-	(7,813)	-	-	-	261,934
Drainage	100,668	1,011	-	(1,667)	-	-	-	100,012
Land improvements	95,205	1,070	-	(1,842)	-	96	-	94,529
Total infrastructure	**459,356**	**8,345**	**-**	**(11,322)**	**-**	**96**	**-**	**456,475**
Plant and equipment								
Plant and machinery	6,153	2,617	(831)	(1,194)	-	-	-	6,745
Equipment, furniture and fittings	12,933	2,310	(20)	(2,747)	-	90	-	12,566
Other structures	8,919	500	-	(1,458)	-	-	-	7,961
Art collection	1,985	190	-	(21)	-	41	-	2,195
Total plant and equipment	**29,990**	**5,617**	**(851)**	**(5,420)**	**-**	**131**	**-**	**29,467**
Works in progress								
Buildings	8,146	1,741	-	-	-	-	(7,346)	2,541
Roads	22	-	-	-	-	-	-	22
Land improvements	96	104	-	-	-	-	(96)	104
Equipment, furniture and fittings	65	-	-	-	-	-	(65)	-
Art collection	90	-	-	-	-	-	(66)	24
Total works in progress	**8,419**	**1,845**	**-**	**-**	**-**	**-**	**(7,573)**	**2,691**
Total property, infrastructure, plant and equipment – carrying amount	1,586,354	27,348	(1,497)	(20,770)	-	7,573	(7,573)	1,591,435

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
20	**TRADE AND OTHER PAYABLES**		
	Trade creditors and accruals	12,791	12,884
	Trust funds and deposits:		
	Primary Care Consortium	645	684
	Narre Warren User Group	1,520	1,450
	Deposits for asset protection	1,712	1,507
	Other deposits	617	416
	Total trade and other payables	**17,285**	**16,941**
21	**INTEREST BEARING LOANS AND BORROWINGS**		
	Current		
	Loans and borrowings - secured	235	217
	Total interest bearing loans and borrowings - current	**235**	**217**
	Non-current		
	Loans and borrowings - secured	2,348	2,584
	Total interest bearing loans and borrowings - non-current	**2,348**	**2,584**
22	**EMPLOYEE BENEFITS**		
	Current		
	Annual leave	3,913	3,713
	Long service leave	6,200	4,686
	Total employee benefits - current	**10,113**	**8,399**
	Non-current		
	Long service leave	617	1,174
	Total employee benefits - non-current	**617**	**1,174**

Superannuation

Council makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). Obligations for contributions are recognised as an expense in surplus or deficit when they are due. The Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

Accumulation fund

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Council contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Defined benefit plan

The Fund's defined benefit plan is a multi-employer sponsored plan. The fund was closed to new members from 31 December 1993. As the defined benefit plan's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to reliably allocate benefit liabilities, assets and costs between employers. As provided under AASB 119 paragraph 32(b), Council does not use defined benefit accounting for these contributions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

22 EMPLOYEE BENEFITS (CONTINUED)

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 31 December 2008, Council makes the following contributions:

- 9.25% of members' salaries (same as previous year); and
- the difference between resignation and retrenchment benefits paid to any retrenched employees, plus contribution tax (same as previous year).

The Fund surplus or deficit (i.e. the difference between fund assets and liabilities) is calculated differently for funding purposes (i.e. calculating required contributions) and for the calculation of accrued benefits as required by AAS 25 to provide the values needed for the AASB 119 disclosure in Council's financial statements. AAS 25 requires the present value of the defined benefit liability to be calculated based on the benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue. The actuarial investigation concluded that although the net market value of assets was in excess of accrued benefits at 31 December 2008, based on the assumptions adopted, there was a shortfall of $71 million when the funding of future benefits was also considered. However, Council was advised that no additional contributions are required for 30 June 2010. The Actuary has commenced undertaking the next actuarial investigation to ascertain if additional contributions would be required. The actuarial review will be as at 30 June 2010.

The result of the actuarial review is expected to be finalised during October 2010. Should the review identify a funding shortfall requiring additional contributions, Council will be notified of any amount payable by November 2010 for payment on 1 July 2011. A further actuarial review will be undertaken as at 30 June 2011. Based on the result of this further review, a detailed funding plan will be developed and implemented to achieve the target of fully funding the Fund by 31 December 2013.

The Fund's liability for accrued benefits was determined by the Actuary at 31 December 2008 pursuant to the requirements of AAS 25 follows:

	31-Dec-08 **$'000**
Net market value of assets	3,630,432
Accrued benefits (per accounting standards)	3,616,422
Difference between assets and accrued benefits	14,010
Vested benefits	3,561,588

The financial assumptions used to calculate the accrued benefits for the defined benefit category of the Fund were

Net investment return	8.50% p.a.
Salary inflation	4.25% p.a.
Price inflation	2.75% p.a.

Details of employer contributions to the Local Authorities Superannuation Fund during the year and contributions payable at balance date are shown below. The Local Authorities Superannuation Fund acts as a clearing house for employer contributions to other superannuation funds.

Defined benefit plans	**2010** **$'000**	**2009** **$'000**
Vision Super	563	604
Total defined benefit plans	**563**	**604**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
22	**EMPLOYEE BENEFITS (CONTINUED)**		
	Accumulation funds		
	Vision Super	2,333	2,258
	AMP	13	13
	Hesta	124	110
	Cbus	23	15
	Other	415	314
	Total accumulation funds	**2,908**	**2,710**

23 ACCUMULATED SURPLUS AND RESERVES

(a) Accumulated surplus

	2010 $'000	2009 $'000
Accumulated surplus at 1 July	642,632	654,006
Surplus for the year	7,121	6,285
Transfers from other reserves	846	786
Transfers to other reserves	(1,850)	(18,445)
Accumulated surplus at 30 June	**648,749**	**642,632**

(b) Asset revaluation reserve

Asset class	2009 $'000	Movement $'000	2010 $'000
Land	690,567	233,647	924,214
Buildings	109,483	13,021	122,504
Roads	103,960	(2,805)	101,155
Drainage	38,349	-	38,349
Land improvements	14,077	-	14,077
Plant and machinery	2,070	-	2,070
Equipment, furniture and fittings	737	-	737
Other structures	729	-	729
Art collection	597	-	597
Regional Landfill Clayton South	1,263	-	1,263
Asset revaluation reserve	**961,832**	**243,863**	**1,205,695**

This reserve is used to record increments and decrements on the revaluation of non-current assets, as described in Note 1(g).

(c) Other reserves

	2010 $'000	2009 $'000
(i) Public open space reserve		
Balance at 1 July	2,202	1,728
Transfer from accumulated surplus	821	1,260
Transfer to accumulated surplus	(428)	(786)
Balance at 30 June	**2,595**	**2,202**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
23	**ACCUMULATED SURPLUS AND RESERVES (CONTINUED)**		
(c)	Other reserves (continued)		
	(ii) Public open space reserve - land acquisitions		
	Balance at 1 July	-	-
	Transfer from accumulated surplus	249	-
	Balance at 30 June	**249**	**-**
	(iii) Council development reserve		
	Balance at 1 July	30,000	28,374
	Transfer from accumulated surplus	-	1,626
	Transfer to accumulated surplus	(287)	-
	Balance at 30 June	**29,713**	**30,000**
	(iv) Aged care reserve		
	Balance at 1 July	15,559	-
	Transfer from accumulated surplus	780	15,559
	Transfer to accumulated surplus	(131)	-
	Balance at 30 June	**16,208**	**15,559**
	(v) Car parking in lieu reserve		
	Balance at 1 July	34	34
	Balance at 30 June	**34**	**34**
	(vi) Art collection reserve		
	Balance at 1 July	3	3
	Balance at 30 June	**3**	**3**
	Total other reserves	**48,802**	**47,798**

(i) Public open space reserve

This reserve comprises funds collected from contributions to public open space made by developers. The funds in this reserve are restricted for expenditure on public open space.

(ii) Public open space reserve - land acquisitions

This reserve comprises funds collected from contributions to public open space made by developers. The funds in this reserve are restricted for expenditure on public open space, specifically land acquisitions. Interest income generated from the reserve is to be reinvested back into the reserve.

(iii) Council development reserve

This reserve is used for funding capital works programs and for proceeds from sale of assets no longer required by Council. The funds in this reserve are required to be expended in accordance with the reserve governing principles established by Council.

(iv) Aged care reserve

This reserve holds in trust the net proceeds secured from the sale as a "going concern" of Council's residential aged care facilities. Access to this reserve must have a legitimate relevance to the aged and disability related groups and must be consistent with the healthy positive ageing strategy adopted by Council in 2005/06. Interest income generated from the reserve is to be reinvested back into the reserve.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

23 ACCUMULATED SURPLUS AND RESERVES (CONTINUED)

(v) Car parking in lieu reserve

This reserve comprises funds provided by developers instead of providing car parking. The funds from this reserve are restricted for expenditure on car parking.

(vi) Art collection reserve

This reserve was established by Council in 2002/03 for the purpose of de-accessioning unwanted art works and for future purchases of art works.

24 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2010 $'000	2009 $'000
Surplus for the year	7,121	6,285
Adjustments for:		
Contributions - non-monetary (Note 5(b))	(2,733)	(293)
Depreciation (Note 10)	20,066	20,770
Net loss on disposal of property, infrastructure, plant and equipment (Note 13)	341	124
Share of net loss of associates (Note 14)	1,122	90
	25,917	26,976
Change in trade and other receivables	(428)	105
Change in other assets	887	481
Change in trade and other payables	574	(224)
Change in employee benefits	1,157	(213)
Net cash from operating activities	**28,107**	**27,125**

25 FINANCING ARRANGEMENTS

	2010 $'000	2009 $'000
Bank overdraft facility	1,100	1,100
Used facilities	-	-
Unused facilities	**1,100**	**1,100**

26 RESTRICTED ASSETS

	2010 $'000	2009 $'000
Long service leave*	6,419	5,351
Public open space reserve	2,844	2,202
Car parking in lieu reserve	34	34
Total restricted assets	**9,297**	**7,587**

* Restricted asset long service leave is based on the *Local Government (long service leave) Regulations (2002)* and does not necessarily equate to the long service leave liability disclosed in Note 22 due to different basis of calculation prescribed by the Regulation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

27 COMMITMENTS

Council has entered into the following commitments:

2010	**Less than 1 year $'000**	**Between 1 - 5 years $'000**	**More than 5 years $'000**	**Total $'000**
External service providers				
Garbage collection	1,349	-	-	1,349
Recycling collection	2,636	2,796	-	5,432
Green collection	1,242	1,303	-	2,545
Hard and green waste collection	455	-	-	455
Street sweeping	735	92	-	827
Cleaning of Council buildings	817	513	-	1,330
Maintenance of Council assets	751	1,220	-	1,971
Professional services	169	167	-	336
Other services	41	-	-	41
Total external service provider commitments	**8,195**	**6,091**	-	**14,286**
Capital				
Buildings	415	-	-	415
Equipment	400	789	-	1,189
Total capital commitments	**815**	**789**	-	**1,604**
Operating leases				
Plant and equipment	437	720	-	1,157
Total operating lease commitments	**437**	**720**	-	**1,157**
2009				
External service providers				
Garbage collection	2,595	5,505	-	8,100
Recycling collection	2,486	5,431	-	7,917
Green collection	1,359	3,220	-	4,579
Hard and green waste collection	984	2,152	-	3,136
Street sweeping	668	751	-	1,419
Cleaning of Council buildings	656	867	-	1,523
Maintenance of Council assets	679	190	-	869
Community care services	700	-	-	700
Professional services	518	257	-	775
Other services	82	-	-	82
Total external service provider commitments	**10,727**	**18,373**	-	**29,100**
Capital				
Buildings	1,823	-	-	1,823
Equipment	58	-	-	58
Total capital commitments	**1,881**	-	-	**1,881**
Operating leases				
Plant and equipment	221	358	-	579
Total operating lease commitments	**221**	**358**	-	**579**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

28 CONTINGENT LIABILITIES

(a) Guarantees of loans to other entities

Council has guaranteed bank loans of certain community bodies. Council's liability under its guarantee is listed below:

	Outstanding loan liability 2010 $'000	Guarantee limit 2010 $'000	Outstanding loan liability 2009 $'000	Guarantee limit 2009 $'000
Blackburn Sporting Club	3	80	12	80
Bluebell Hill Tennis Club	23	38	30	38
Elgar Park Regional Hockey Association	-	117	-	117
Vermont South Club	299	310	305	310
Vermont Sports Club	108	210	121	210
The Whitehorse Club	472	500	487	500
	905	**1,255**	**955**	**1,255**

(b) Arising from public liability

As a local authority with ownership of numerous parks, reserves, roads and other land holdings, Council regularly receives claims and demands allegedly arising from incidents which occur on land belonging to Council. There are a number of outstanding claims against Council in this regard. Council carries $400 million of public liability insurance and had an excess of $10,000 on this policy in 2009/10. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is Civic Mutual Plus. There are no claims of which Council is aware which would fall outside the terms of Council's policy.

(c) Arising from professional indemnity

As a local authority with statutory regulatory responsibilities, including the responsibility of issuing permits and approvals, Council receives claims and demands for damages allegedly arising from actions of Council or its officers. Council carries $300 million of professional indemnity insurance and had an excess of $10,000 on this policy in 2009/10. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is Civic Mutual Plus. There are no instances or claims of which Council is aware which would fall outside the terms of Council's policy.

(d) Arising from legal matters

Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

(e) Other contingent liabilities

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the increased volatility in financial markets the likelihood of making such contributions in future periods has increased. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

29 FINANCIAL INSTRUMENTS

(a) Accounting policy, terms and conditions

Financial assets	**Note**	**Accounting policy**	**Terms and conditions**
Cash and cash equivalents	15	Investments are held to maximise interest returns of surplus cash. Cash at bank and on hand and the money market call account are valued at face value. Cash managed funds are measured at market value. Interest income is recognised as it accrues.	On call deposits returned a floating interest rate of between 3.05% to 4.55% (2008/09: 2.90% to 7.15%). The interest rate at balance date was 4.55% (2008/09: 2.90%). Term deposits returned fixed interest rate of between 4.25% to 6.35% (2008/09: 3.20% to 8.21%). Cash managed funds provided return of between 3.80% to 5.97% (2008/09: 6.81% to 11.28%) excluding unrealised gains/losses.
Trade and other receivables	16	Receivables are carried at amortised cost using the effective interest method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis. For the purpose of this note, rates debtors and parking debtors are excluded as they are not considered financial instruments.	General debtors are unsecured. General debtors in arrears attract an interest rate of 10% (2008/09: 12%). Credit terms are based on 30 days.

Financial liabilities			
Trade and other payables	20	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice date.
Interest bearing loans and borrowings	21	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over the general rates of Council. The fixed interest rate on borrowings is 8.49% (2008/09: 8.49%).
Bank overdraft		Overdrafts are recognised at the principal amount. Interest is charged as an expense as it accrues.	The overdraft is subject to annual review. It is secured by a mortgage over Council's general rates and is repayable on demand. The interest rate on the bank overdraft facility was between 7.83% and 9.33%. No interest was incurred in the current or the prior year as the bank overdraft facility was not used.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Risks and mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our Balance Sheet.

To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is the Victorian Government. Apart from the Victorian Government we do not have any significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is performed on the financial condition of our customers and, where appropriate, an allowance for doubtful debts is raised.

We may also be subject to credit risk for transactions which are not included in the Balance Sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 28.

Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover financial assets at all.

To help reduce these risks we:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- monitor budget to actual performance on a regular basis;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which we are exposed are discussed below.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Risks and mitigation (continued)

Our loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Planning and Community Development each year.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act (1989)*. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with state and federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

(c) Credit risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is represented by the carrying amount of those assets as indicated in the Balance Sheet.

Ageing of trade and other receivables

At balance date, none of Council's loans and advances were past due (2008/09: nil). Other debtors relate to a number of independent customers for whom there is no recent history of default. The ageing of Council's other debtors at the reporting date was:

	2010 $'000	**2009 $'000**
Current (not yet due)	4,177	4,065
30-60 days	474	197
61-90 days	73	27
Over 90 days	97	85
Other debtors	**4,821**	**4,374**

Ageing of individually impaired trade and other receivables

At balance date, other debtors representing financial assets with a nominal value of $75,000 (2008/09: $102,000) were impaired. The amount of the provision raised against these debtors was $75,000 (2008/09: $102,000). The individually impaired debtors have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

29 FINANCIAL INSTRUMENTS (CONTINUED)

(c) Credit risk (continued)

The ageing of other debtors that have been individually determined as impaired at reporting date was:

	2010 $'000	**2009 $'000**
Current (not yet due)	-	1
30-60 days	-	7
61-90 days	-	5
Over 90 days	75	89
Provision for doubtful debts - other debtors	**75**	**102**

Movement in provision for doubtful debts - other debtors

	2010 $'000	**2009 $'000**
Balance at 1 July	102	74
New provisions recognised during the year	-	33
Amounts already provided for and written off as uncollectible	-	(5)
Amounts provided for but recovered during the year	(27)	-
Balance at 30 June	**75**	**102**

(d) Liquidity risk

The table below lists the contractual maturities for financial liabilities. These amounts represent undiscounted gross payments including both principal and interest amounts.

	6 mths or less $'000	**6 - 12 months $'000**	**1 - 2 years $'000**	**2 - 5 years $'000**	**> 5 years $'000**	**Contracted cash flow $'000**	**Carrying amount $'000**
2010							
Trade and other payables	17,285	-	-	-	-	17,285	17,285
Interest bearing loans and borrowings	223	223	446	1,338	1,338	3,568	2,583
Total financial liabilities	**17,508**	**223**	**446**	**1,338**	**1,338**	**20,853**	**19,868**
2009							
Trade and other payables	16,941	-	-	-	-	16,941	16,941
Interest bearing loans and borrowings	223	223	446	1,338	1,785	4,015	2,801
Total financial liabilities	**17,164**	**223**	**446**	**1,338**	**1,785**	**20,956**	**19,742**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

29 FINANCIAL INSTRUMENTS (CONTINUED)

(e) Interest rate risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

		Fixed interest maturing in:				
	Floating interest	**1 year or less**	**Over 1 to 5 years**	**More than 5 years**	**Non-interest bearing**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
2010						
Financial assets						
Cash and cash equivalents	12,185	66,496	-	-	-	78,681
Trade and other receivables	-	-	-	-	4,794	4,794
Total financial assets	**12,185**	**66,496**	**-**	**-**	**4,794**	**83,475**
Weighted average interest rate	4.26%	5.25%				
Financial liabilities						
Trade and other payables	-	-	-	-	17,285	17,285
Interest bearing loans and borrowings	-	235	1,170	1,178	-	2,583
Total financial liabilities	**-**	**235**	**1,170**	**1,178**	**17,285**	**19,868**
Weighted average interest rate		8.49%	8.49%	8.49%		
Net financial assets (liabilities)	**12,185**	**66,261**	**(1,170)**	**(1,178)**	**(12,491)**	**63,607**
2009						
Financial assets						
Cash and cash equivalents	11,375	35,433	27,000	-	-	73,808
Trade and other receivables	-	-	-	-	4,322	4,322
Total financial assets	**11,375**	**35,433**	**27,000**	**-**	**4,322**	**78,130**
Weighted average interest rate	4.63%	4.32%	5.59%			
Financial liabilities						
Trade and other payables	-	-	-	-	16,941	16,941
Interest bearing loans and borrowings	-	217	1,075	1,509	-	2,801
Total financial liabilities	**-**	**217**	**1,075**	**1,509**	**16,941**	**19,742**
Weighted average interest rate		8.49%	8.49%	8.49%		
Net financial assets (liabilities)	**11,375**	**35,216**	**25,925**	**(1,509)**	**(12,619)**	**58,388**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

29 FINANCIAL INSTRUMENTS (CONTINUED)

(e) Interest rate risk (continued)

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates sourced from the Reserve Bank of Australia):

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 4.50%.

The table below discloses the impact on surplus or deficit and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur.

	Carrying amount subject to interest rate risk	-1% 100bp decrease		1% 100bp increase	
		Surplus	Equity	Surplus	Equity
	$'000	$'000	$'000	$'000	$'000
2010					
Cash and cash equivalents	78,681	(787)	(787)	787	787
2009					
Cash and cash equivalents	73,808	(738)	(738)	738	738

(f) Net fair values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Financial instruments	Carrying amount		Net fair value	
	2010 $'000	2009 $'000	2010 $'000	2009 $'000
Financial assets carried at fair value	-	-	-	-
Financial assets carried at amortised cost				
Cash and cash equivalents	78,681	73,808	78,681	73,808
Trade and other receivables	4,794	4,322	4,794	4,322
Total	**83,475**	**78,130**	**83,475**	**78,130**
Financial liabilities carried at fair value	-	-	-	-
Financial liabilities carried at amortised cost				
Trade and other payables	17,285	16,941	17,285	16,941
Interest bearing loans and borrowings	2,583	2,801	2,583	2,801
Total	**19,868**	**19,742**	**19,868**	**19,742**

(g) Fair value hierarchy

There were no financial instruments carried at fair value at balance date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2009 $'000
30	**AUDITORS' REMUNERATION**		
	Audit fee to conduct external audit	59	54
	Internal audit fees	127	113
		186	167

31 SUBSEQUENT EVENTS

There were no material events occurring after balance date.

32 RELATED PARTIES

(a) Responsible Persons

The names of persons holding the position of a Responsible Person at Council at any time during the financial year are:

Councillors

Andrew Munroe
Bill Pemberton (Mayor) - Mayor from 9 December 2009
Helen Harris OOM - Mayor from 4 December 2008 to 9 December 2009
Robert Chong OAM
Mark Lane
Raylene Carr
John Koutras
Sharon Ellis
Ben Stennett
Philip Daw

Chief Executive Officer

Noelene Duff

(b) Remuneration of Responsible Persons

The number of Responsible Persons whose total remuneration, including superannuation, from Council fell within the following bands:

Income range	2010 Number	2009 Number
$1 - $9,999	-	5
$10,000 - $19,999	-	5
$20,000 - $29,999	8	3
$30,000 - $39,999	-	1
$40,000 - $49,999	1	-
$50,000 - $59,999	-	-
$60,000 - $69,999	1	-
$70,000 - $99,999	-	1
$100,000 - $199,000	-	-
$200,000 - $299,999	-	-
$300,000 - $329,999	1	1
	11	16
Total remuneration for the reporting year of Responsible Persons included above amounted to:	$649,918	$603,337

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

32 RELATED PARTIES (CONTINUED)

Retirement benefits

No retirement benefits have been made by Council to a Responsible Person during the reporting year (2008/09: nil).

Loans

No loans have been made, guaranteed or secured by Council to a Responsible Person during the reporting year (2008/09: nil).

Other transactions

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or related parties of Responsible Persons during the reporting year.

(c) Remuneration of Senior Officers

A Senior Officer, other than a Responsible Person, is an officer of Council who has management responsibilities and reports directly to the Chief Executive Officer or whose total annual remuneration exceeds $120,000.

The number of Senior Officers whose total remuneration, including any superannuation, exceeded $120,000 during the financial year, fell within the following bands:

	2010 Number	**2009 Number**
Income range		
$120,000 - $129,999	4	9
$130,000 - $139,999	5	1
$140,000 - $149,999	3	2
$150,000 - $159,999	2	3
$160,000 - $169,999	1	-
$170,000 - $179,999	1	1
$180,000 - $189,999	-	-
$190,000 - $199,999	1	1
$200,000 - $209,999	2	1
	19	18
Total remuneration for the reporting year of Senior Officers included above amounted to:	$2,951,368	$2,698,897

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE 33 FUNCTIONS / ACTIVITIES OF THE MUNICIPALITY

Revenue and expenses (excluding internal recharges) have been attributed to the following functions/activities, descriptions of which are set out below:

	EXECUTIVE		TREASURY SERVICES		CORPORATE SERVICES		HUMAN SERVICES		CITY DEVELOPMENT		INFRASTRUCTURE		TOTAL	
2010	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**
Grants and subsidies	-	-	6,446	4,275	184	204	11,108	10,948	148	130	97	35	17,983	15,592
Other revenue	158	57	72,949	70,589	5,313	5,534	18,097	17,883	7,408	4,296	5,071	5,249	108,996	103,608
Revenue	158	57	79,395	74,864	5,497	5,738	29,205	28,831	7,556	4,426	5,168	5,284	126,979	119,200
% of Total	0.1%	0.0%	62.5%	62.8%	4.3%	4.8%	23.0%	24.2%	6.0%	3.7%	4.1%	4.4%	100.0%	100.0%
Expenses	4,587	4,526	20,657	21,704	14,187	13,260	41,265	40,995	20,262	20,497	18,900	19,803	119,858	120,785
% of Total	3.8%	3.7%	17.2%	18.0%	11.8%	11.0%	34.4%	33.9%	16.9%	17.0%	15.8%	16.4%	100.0%	100.0%
Net surplus (deficit)	**(4,429)**	**(4,469)**	**58,738**	**53,160**	**(8,690)**	**(7,522)**	**(12,060)**	**(12,164)**	**(12,706)**	**(16,071)**	**(13,732)**	**(14,519)**	**7,121**	**(1,585)**

	EXECUTIVE		TREASURY SERVICES		CORPORATE SERVICES		HUMAN SERVICES		CITY DEVELOPMENT		INFRASTRUCTURE		TOTAL	
2009	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**	**Actual $'000**	**Budget $'000**
Grants and subsidies	-	-	7,734	3,630	203	218	11,511	10,758	483	120	66	35	19,997	14,761
Other revenue	169	207	68,182	71,317	6,690	5,750	18,130	17,427	4,398	4,427	5,520	6,740	103,089	105,868
Revenue	169	207	75,916	74,947	6,893	5,968	29,641	28,185	4,881	4,547	5,586	6,775	123,086	120,629
% of Total	0.1%	0.2%	61.7%	62.1%	5.6%	4.9%	24.1%	23.4%	4.0%	3.8%	4.5%	5.6%	100.0%	100.0%
Expenses	4,568	4,710	20,892	24,405	12,582	12,934	40,837	40,101	18,610	19,723	19,312	20,189	116,801	122,062
% of Total	3.9%	3.9%	17.9%	20.0%	10.8%	10.6%	35.0%	32.9%	15.9%	16.2%	16.5%	16.5%	100.0%	100.0%
Net surplus (deficit)	**(4,399)**	**(4,503)**	**55,024**	**50,542**	**(5,689)**	**(6,966)**	**(11,196)**	**(11,916)**	**(13,729)**	**(15,176)**	**(13,726)**	**(13,414)**	**6,285**	**(1,433)**

NOTE 33 FUNCTIONS / ACTIVITIES OF THE MUNICIPALITY (CONTINUED)

At balance date the activities of the municipality are categorised into the following broad functions:

Executive

The Executive area provides management and leadership of the organisation as well as liaison with ratepayers and residents of the city. It includes the office of the Chief Executive and administrative support for the Councillors. It provides support for formal Council functions, Governance and Communications. The division also provides support to Council and the community through its Civic Services and Customer Service Centres.

Treasury Services

The Treasury section details the movement of funds related to the Victorian Grants Commission, rate revenue, capital income, interest income and expenses, depreciation and sale of assets.

Corporate Services

Corporate Services provides the city with the Financial, Information Systems, Property and Rating tools necessary for effective management of its resources. The division has responsibility for the day to day management of the city's financial assets. This division also incorporates the Organisation Development department; managing the Human Resources, Occupational Health and Safety, and the Compliance department incorporating Community Laws, Traffic Management and Risk Management.

Human Services

Human Services division provides the delivery of human services to the ratepayers and residents. This includes supervising the areas of management of Community Care, Parks and Recreation, Health and Family Services, Children's Services, Arts, Culture and Leisure Services.

City Development

City Development provides the services of an essentially physical nature to the ratepayers and residents. These services include Engineering, Environmental Services, and Statutory Planning, Building Services and Business Development.

Infrastructure

Infrastructure is responsible for City Works, monitoring Capital Works, Parkswide, the Waste and Recycling Centre and management of the Council's plant and fleet.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE

34 FINANCIAL RATIOS

(a) Debt servicing ratio

	2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
Debt servicing costs	230	= 0.18%	247	= 0.17%	-	= 0.00%
Total revenue	128,722		141,709		120,123	

This ratio identifies Council's capacity to service its outstanding debt. The ratio is expressed as the amount of debt servicing costs paid as a percentage of Council's total revenue. Debt servicing costs refer to the payment of interest on borrowings, finance lease interest and bank overdraft.

(b) Debt commitment ratio

	2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
Debt servicing and redemption costs	448	= 0.66%	446	= 0.70%	-	= 0.00%
Rate revenue	67,953		63,725		59,792	

This ratio identifies Council's debt redemption strategy. The strategy involves the payment of loan principal and interest, and finance lease principal and interest. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

(c) Revenue ratio

	2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
Rate revenue	67,953	= 52.79%	63,725	= 44.97%	59,792	= 49.78%
Total revenue	128,722		141,709		120,123	

This ratio identifies Council's dependence on rate revenue. The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of Council's total revenue.

(d) Debt exposure ratio

	2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
Total liabilities	30,598	= 1 : 51.21	29,315	= 1 : 44.76	36,731	= 1 : 35.57
Total realisable assets	1,566,967		1,312,044		1,306,532	

This ratio identifies Council's solvency and exposure to debt. For the purpose of calculating this ratio, realisable assets are those assets which can be sold and which are not subject to any restrictions on realisation or use. Road and drainage infrastructure assets, and restricted assets are excluded from total assets when calculating Council's realisable assets. The ratio expresses realisable assets for each dollar of liabilities.

(e) Working capital ratio / liquidity ratio

	2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
Current assets	86,086	= 3.12 : 1	81,587	= 3.19 : 1	87,625	= 2.67 : 1
Current liabilities	27,633		25,557		32,846	

This ratio measures Council's ability to pay existing liabilities in the next 12 months. Ratios greater than 1:1 indicates that Council has more cash and liquid assets than short-term liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE		2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
34	**FINANCIAL RATIOS (CONTINUED)**						
(f)	**Underlying result**						
	Underlying surplus (deficit)	4,388	= 3.48%	5,992	= 4.24%	899	= 0.75%
	Underlying revenue	125,989		141,416		119,656	

This is a measure of Council's surplus (deficit) as a percentage of its revenue, adjusted for non-monetary developer contributions and significant one-off adjustments. Where a surplus is made, the higher the percentage, the stronger the result.

		2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
(g)	**Indebtedness**						
	Non-current liabilities	2,965	= 2.83%	3,758	= 3.68%	3,885	= 4.04%
	Own sourced revenue	104,817		102,097		96,234	

This ratio compares non-current liabilities (which mainly comprises interest bearing loans and borrowings) to own sourced revenue. The higher the percentage, the less Council is able to cover its non-current liabilities from the revenue it generates. Own sourced revenue is used rather than total revenue because it does not include grants, which are usually tied to specific projects.

		2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
(h)	**Self-financing**						
	Net operating cash flows	28,107	= 22.31%	27,125	= 19.18%	27,852	= 23.28%
	Underlying revenue	125,989		141,416		119,656	

This ratio measures Council's ability to replace assets using cash generated from its operations. The higher the percentage, the more effectively this can be done. In 2008/09, underlying revenue included the sale proceed of Hostels of $17.65m.

		2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
(i)	**Investment gap**						
	Capital spend	24,531	= 1.22 : 1	29,599	= 1.43 : 1	28,077	= 1.31 : 1
	Depreciation	20,066		20,770		21,368	

This ratio compares Council's rate of spending on infrastructure with depreciation. Ratios higher than 1:1 indicates that spending on infrastructure is greater than the depreciation rate. It is a long-term indicator, as capital expenditure can be deferred if there are insufficient funds available from operations, and borrowing is not an option.

		2010 $'000	2010 %	2009 $'000	2009 %	2008 $'000	2008 %
(j)	**Renewal gap**						
	Renewal expenditure	19,897	= 0.99 : 1	17,892	= 0.86 : 1	14,324	= 0.67 : 1
	Depreciation	20,066		20,770		21,368	

This ratio compares Council's rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation. Ratios higher than 1:1 indicates that spending on existing assets is greater than the depreciation rate. Similar to the investment gap, this is a long-term indicator, as capital expenditure can be deferred in the short-term if there are insufficient funds from operations, and borrowing is not an option.

CERTIFICATION OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2010

In my opinion, the accompanying financial report of Whitehorse City Council for the year ended 30 June 2010 has been prepared in accordance with the *Local Government Act (1989)*, the *Local Government (Finance and Reporting) Regulations (2004)*, Australian Accounting Standards, and other mandatory professional reporting requirements.

Principal Accounting Officer
Marc Giglio CPA

Dated: 19 August 2010
Nunawading

In our opinion, the accompanying financial report presents fairly the financial transactions of Whitehorse City Council for the financial year ended 30 June 2010 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial report to be misleading or inaccurate.

We were authorised by the Council on 16 August 2010 to certify the financial report in its final form on behalf of the Council.

Councillor
Andrew Munroe

Dated: 19 August 2010
Nunawading

Robert Chong

Councillor
Robert Chong

Dated: 19 August 2010
Nunawading

Chief Executive Officer
Noelene Duff

Dated: 19 August 2010
Nunawading

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Councillor's, Whitehorse City Council

The Standard Statements and Financial Report

The accompanying standard statements for the year ended 30 June 2010 of the Council which comprises of standard income statement, standard balance sheet, standard cashflow statement, standard statement of capital works, the related notes and the Certification of the Standard Statements have been audited.

The accompanying financial report for the year ended 30 June 2010 of Whitehorse City Council which comprises of comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the Certification of Financial Report has been audited.

The Councillor's Responsibility for the Financial Report and Standard Statements

The Councillor's of Whitehorse City Council are responsible for the preparation and the fair presentation of:

- the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Local Government Act 1989*
- the standard statements in accordance with the basis of preparation as described in note 1 of the statements and the requirements of the *Local Government Act 1989*.

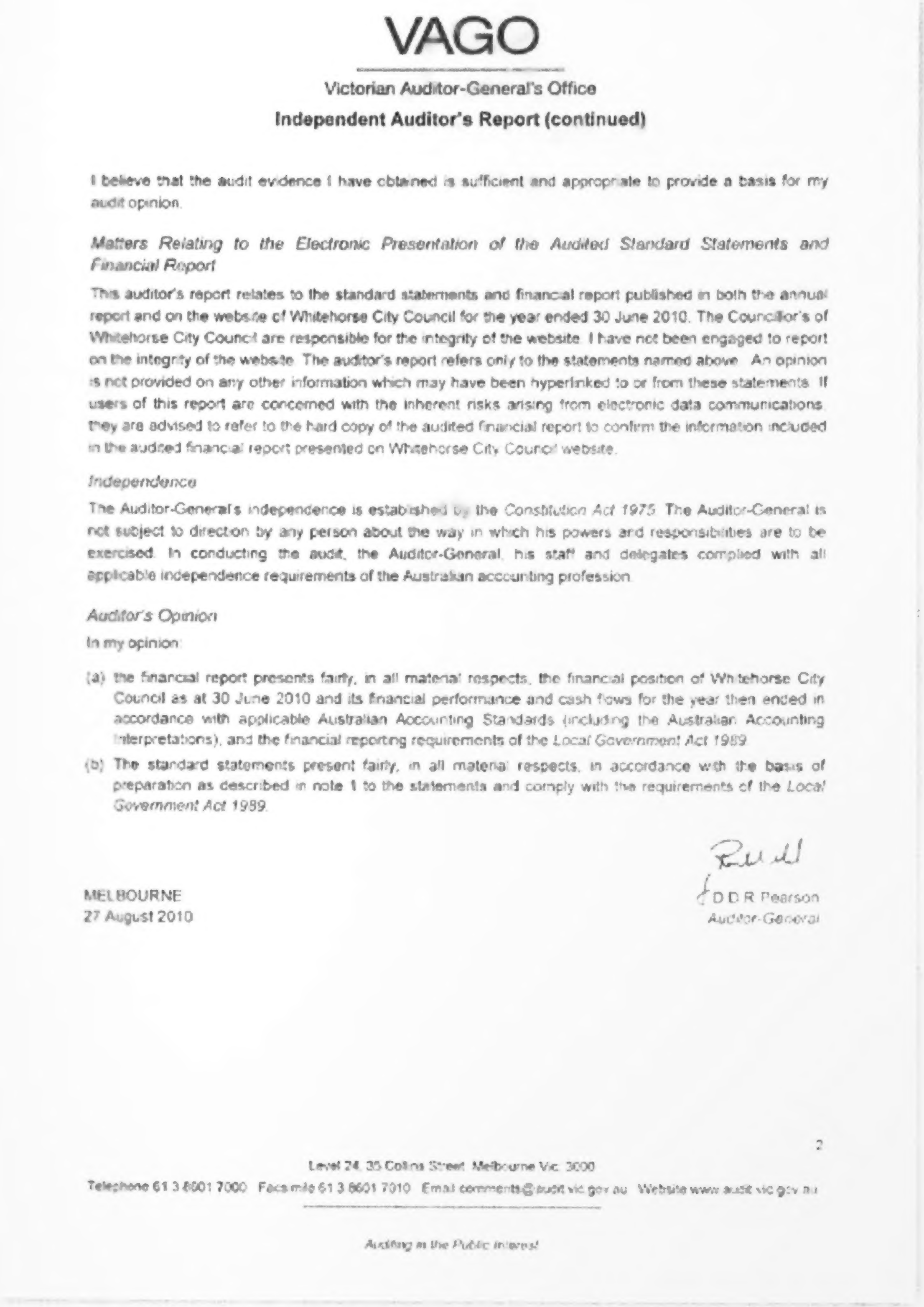
This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report and standard statements that are free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report and standard statements based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report and standard statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report and standard statements. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report and standard statements, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report and standard statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Councillor's, as well as evaluating the overall presentation of the financial report and standard statements.



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Victorian Auditor-General's Office

Independent Auditor's Report (continued)

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Matters Relating to the Electronic Presentation of the Audited Standard Statements and Financial Report

This auditor's report relates to the standard statements and financial report published in both the annual report and on the website of Whitehorse City Council for the year ended 30 June 2010. The Councillor's of Whitehorse City Council are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on Whitehorse City Council website.

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion:

(a) the financial report presents fairly, in all material respects, the financial position of Whitehorse City Council as at 30 June 2010 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Local Government Act 1989*.

(b) The standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in note 1 to the statements and comply with the requirements of the *Local Government Act 1989*.

MELBOURNE
27 August 2010

D D R Pearson
Auditor-General

CITY OF
WHITEHORSE

Acknowledgement of Country

In the spirit of reconciliation, Whitehorse City Council acknowledges the Wurundjeri people as the traditional owners of the land now known as Whitehorse and pays respect to its elders past and present.

CONTACTING COUNCIL

Postal Address
Whitehorse City Council
Locked Bag 2
Nunawading DC Vic 3131

Phone: 9262 6333
Fax: 9262 6490
TTY: 9262 6325 (Service for deaf or hearing impaired people)
TIS: 131 450 (Telephone interpreter service. Call and ask to be connected to Whitehorse City Council)

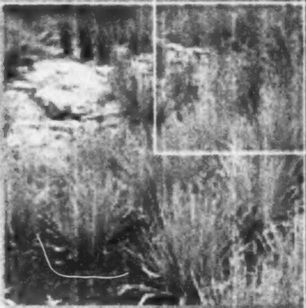
Email
customer.service@whitehorse.vic.gov.au

Website
www.whitehorse.vic.gov.au

Service Centres
Whitehorse Civic Centre
(main Service Centre)
379-397 Whitehorse Road
Nunawading 3131

Box Hill Service Centre
Box Hill Town Hall
1022 Whitehorse Road
Box Hill 3128

Forest Hill Service Centre
Shop 130
Forest Hill Chase Shopping Centre
Canterbury Road
Forest Hill 3131



An electronic version of the Whitehorse Annual Report 2009/10 is available on Council's website www.whitehorse.vic.gov.au

Copies of the Annual Report 2009/10 are available in alternative formats such as large print or audio. Please contact Council to request a copy.

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